

Agenda Item No:

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**Report of :** Head of Property Services

**Report to :** Chief Asset Management and Regeneration Officer

**Date:** 24 March 2014

**Subject:** 7 Manor Farm Green, Belle Isle, Leeds, LS10 3RL

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s):	Middleton Park	
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:	10.4(3)	
Appendix number:	1	

### Summary of main issues

1. 7 Manor Farm Green is an ex-local authority residential property that was sold under the Right to Buy scheme in 1972. The owner of the property originally rented this property out, however, the tenant vacated and the property was vandalised.
2. The Council's Area Renewal Team has received funding to repurchase ex-local authority residential properties that have stood empty for longer than six months with a view to reintroducing these into the Council's housing stock, ready to be re-let to new tenants. An offer has been made on this property and has been accepted.
3. Environment and Housing have confirmed that it would take on the management and responsibility of the property. The Area Renewal Team has confirmed that funding is in place from a £2 million scheme which will be split off for individual properties.

### Recommendations

4. It is recommended that approval is given to the terms upon which the Council will acquire the freehold of this property.

## **1 Purpose of this report**

- 1.1 The purpose of this report is to recommend the terms upon which the Council will acquire the freehold of 7 Manor Farm Green.

## **2 Background information**

- 2.1 This three bedroom, mid-terrace property was purchased under the Right to Buy scheme in 1972. The current owner originally rented this property out, however, the tenant vacated some time ago and the property was vandalised.
- 2.2 The property is in a poor state of repair. A condition survey has been carried out and has identified that the property requires work amounting to approximately £9,550 carrying out before it can be re-let.

## **3 Main issues**

- 3.1 The property was valued on 29 January 2014 by Property Services following a full inspection. At the same time, the Council's CDM Coordination Manager also carried out an inspection, later providing a Stock Condition Survey report. Property Services then made an offer to the owner of the property which has been accepted.
- 3.2 Environment and Housing (Area Renewal Team) has agreed to fund the acquisition and Environment and Housing (Housing Leeds) has agreed to take on the responsibility and maintenance of the property.
- 3.3 The terms for the acquisition are detailed in the attached confidential appendix.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 Environment and Housing (Housing Leeds) has been consulted and has agreed to take on the future maintenance and responsibility of this property including any decency works and future work programmes if needed.
- 4.1.2 The overall Empty Homes/Council Housing Growth Programme was discussed by Executive Board on 17 July 2013 and approved.
- 4.1.3 Environment and Housing delegated decision panel reports have been forwarded to Ward Members in areas where properties are being considered for acquisition. In this case, Ward Members for Middleton Park have been notified of the project and that properties are being considered in that area but addresses have not been given.

### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 There are no equality issues arising from this proposal.

### **4.3 Council Policies and City Priorities**

- 4.3.1 The acquisition will assist in meeting the Council's priorities through the provision of additional social housing stock.

### **4.4 Resources and Value for Money**

- 4.4.1 The property will become the responsibility of Housing Leeds and will be re-let. Given that the demand for social housing is very high across the whole city, is it likely that a new tenant would be available as soon as the property is ready.

## **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 Under Part 3 Section 3E Paragraph 2(a) of the Council's Constitution (Officer Delegation Scheme (Executive Functions)) the Director of City Development has authority to discharge any function of Executive Board in relation to the management of land (including valuation, acquisition, appropriation, disposal and any other dealings with land or any interest in land) and Asset Management.
- 4.5.2 The Chief Asset Management and Regeneration Officer has authority to take the decisions requested in this report under Executive functions 1 and 10 (specific to the Director of City Development) of the Director of City Development's sub delegation scheme.
- 4.5.3 The proposal constitutes a significant operational decision and is therefore not subject to call in.
- 4.5.4 The information contained in the Appendix attached to this report relates to the financial or business affairs of a particular person, and of the Council. This information is not publicly available from the statutory registers of information kept in respect of certain companies and charities. It is considered that since this information was obtained through one to one negotiations for the acquisition of the property then it is not in the public interest to disclose this information at this point in time. Also it is considered that the release of such information would or would be likely to prejudice the Council's commercial interests in relation to other similar transactions in that prospective vendors of other similar properties would have access to information about the nature and level of consideration which may prove acceptable to the Council. It is considered that whilst there may be a public interest in disclosure, much of this information will be publicly available from the Land Registry following completion of this transaction and consequently the public interest in maintaining the exemption outweighs the public interest in disclosing this information at this point in time. It is therefore considered that this element of the report should be treated as exempt under Rule 10.4.3 of the Access to Information Procedure Rules.

## **4.6 Risk Management**

- 4.6.1 The risks associated with the proposed acquisition are considered below:
- 4.6.1.1 There is the risk that a suitable tenant is not found and the property remains empty for a longer period of time thus becoming a target for vandals.
- 4.6.1.2 There is the risk that once the acquisition is complete, further works to the property may be required which were not identified at an earlier stage. Housing Leeds is, however, satisfied with the current condition of the house.
- 4.6.2 The house has been advertised on the open market and offers have been received and rejected. The current owner has withdrawn the property from the market but this may not necessarily prevent others from making a higher offer.

## **5 Conclusions**

- 5.1 It is concluded that the acquisition of the freehold of 7 Manor Farm Green be recommended for approval and this property returned to Council housing stock.

## **6 Recommendations**

- 6.1 It is recommended that the freehold of 7 Manor Farm Green is acquired by Leeds City Council and is reintroduced into the Housing Leeds housing portfolio.

## **7 Background documents<sup>1</sup>**

7.1 There are none.

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.