

Agenda Item No: 11

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Report of: Head of Property Services

Report to: Chief Asset Management and Regeneration Officer

Date: 28 April 2014

Subject: Holbeck Day Centre, Holbeck Moor Road, Holbeck, LS11 9QL

Are specific electoral Wards affected?	⊠ Yes	☐ No
If relevant, name(s) of Ward(s):	Beeston & Holbeck	
Are there implications for equality and diversity and cohesion and integration?	☐ Yes	⊠ No
Is the decision eligible for Call-In?	☐ Yes	⊠ No
Does the report contain confidential or exempt information?	☐ Yes	⊠ No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

## Summary of main issues

- 1. The purpose of this report is to seek approval to sell the subject site on the open market through the expression of interest and invitation of offers.
- 2. The subject site was previously managed by Adult Social Care and used as an Aged Person's Day Centre but became surplus to requirements in March 2010.
- 3. Since its closure the property has become significantly vandalised and occupied by travellers on several occasions.
- 4. No alternative operational uses have been identified for the property and so there is no justifiable reason for its retention.

#### Recommendations

5. It is recommended that approval is given to sell the freehold interest in the property on the open market through the expression of interest and invitation of offers.

## 1 Purpose of this report

1.1 The purpose of this report is to seek approval to sell Holbeck Day Centre, as identified on the attached plan, on the open market through the expression of interest and invitation of offers.

# 2 Background information

- 2.1 The subject property is shown by black outline on the attached plan.
- 2.2 The subject property was previously used as an Aged Persons Day Centre but became surplus to requirements in March 2010.
- 2.3 After its closure, colleagues in Adult Social Care were very proactive in terms of offering the site to the local community. One local community group were very interested in leasing the property but failed to secure funding from the Big Lottery for the project.
- 2.4 In the meantime the site has been occupied on several occasions by travellers and has been significantly vandalised including theft of the boiler, wiring etc.
- 2.5 The Director of Adult Social Care declared the property surplus to requirements on 29 March 2010.

### 3 Main issues

3.1 The site will initially be marketed for sale through the invitation of informal offers to allow people to proceed on a conditional basis. The site currently falls within use class D1 'Non-residential institutions' and could be marketed for a range of uses including crèche/nursery, health centre, etc. Any change of use or redevelopment of the site would be subject to planning permission.

## 4 Corporate Considerations

# 4.1 Consultation and Engagement

- 4.1.1 Ward Members were consulted on 29 October 2013 and all confirmed their support to the proposal.
- 4.1.2 Councillor Ogilvie and Councillor Congreve both advised that they would prefer the property to be used for community purposes and Councillor Ogilvie advised that he would hope that the future use of the property would be something that is complementary to the current regeneration of the area.
- 4.1.3 This method of disposal was also recently adopted for the disposal of property and land at Barkly Road, Beeston which is located within the same ward boundary as the subject property.
- 4.1.4 As with the subject property, Ward Members felt very strongly that the site at Barkly Road, Beeston, should be retained for community use rather than sold for residential development and so it was agreed that the site could be marketed on an informal basis for a range of uses, including community uses.
- 4.1.5 The Regeneration Programme Manager, advised that the subject site is unlikely to have any potential to enhance the current PFI scheme within the immediate area as the PFI scheme itself is a contract with fixed parameters and it would not be

- possible to add a requirement for development of more Council properties on a site adjacent to this.
- 4.1.6 It is suggested that an open market disposal would be more appropriate, with some planning guidance to protect and reflect the quality investment through the adjoining PFI scheme.'
- 4.1.7 Councillor Richard Lewis was briefed by email on 22 April 2014 in connection with Ward Member comments and the proposal to dispose of the site on the open market through the invitation of informal offers for a range of uses, including community uses. He responded on 23 April 2014 to confirm his support for the proposal.

## 4.2 Equality and Diversity / Cohesion and Integration

4.2.1 There are no equality, diversity, cohesion and integration implications arising from this proposal.

# 4.3 Council Policies and City Priorities

- 4.3.1 The disposal of the property will generate a capital receipt and therefore support the departmental objective of raising capital receipts.
- 4.3.2 The property is surplus to the Council's requirements and no operational reason has been identified to justify its retention. In these circumstances, its disposal represents prudent and economic asset management, obviating holding costs associated with managing the land and therefore supports best value objectives of the Council.

### 4.4 Resources and Value for Money

4.4.1 The sale will generate a capital receipt.

## 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 Head of Property Services confirms that the proposed method of disposal set out above is the method most likely to result in the Council achieving the best consideration that can reasonably be obtained under Section 123 of the Local Government Act 1972 (or under the Housing Act 1985).

# 4.6 Risk Management

- 4.6.1 The risks associated with the proposed disposal are considered below:
  - a) If the property is not sold, its maintenance responsibility will remain with the Council.
  - b) There is a risk that the potential purchaser could withdraw their interest at any time prior to exchanging contracts.

#### 5 Conclusions

5.1 There is no justifiable reason to retain the property which remains vacant and a maintenance liability for the Council. Furthermore, its disposal will generate income to the authority by way of a capital receipt and alleviate the Council from any maintenance liabilities following a sale.

#### 6 Recommendations

6.1 It is recommended that approval be given to dispose of the freehold interest in the site on the open market through the expression of interest and invitation of offers, which will be reported back for consideration.

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

7.1 None

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<sup>&</sup>lt;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.