

Report of : Head of Property Services
Report to : Chief Asset Management and Regeneration Officer
Date: 22 September 2014
Subject: Micklefield House, Annex and Caretakers House, New Road, Rawdon, Leeds

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s):	Guiseley & Rawdon	
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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

Summary of main issues

1. Micklefield House, its annex and interconnected caretakers house consist of two detached council owned buildings situated on an overall site of 0.364ha (0.9 acres) which also incorporates car parking serving both the buildings occupiers and also for use by the public who use it to visit the adjoining Council owned Micklefield Park and local centre.
2. The annex building was occupied as offices by the former Environments and Neighbourhoods service area and, along with the integrated caretaker's house, is vacant and surplus to operational requirements. This building is indicated A, on the attached plan.
3. Micklefield House remains partly occupied by Children's Services, Adult Social Care and accommodates the Aireborough One Stop Shop. The building is indicated B, on plan.
4. A third building, Rawdon library, shown indicated C on plan, has been leased by way of a 25 year lease pursuant to a Community Asset Transfer to The Friends of Rawdon Library.
5. Proposals are being formulated for remaining council service providers in Micklefield House to be relocated leaving all buildings on the site vacant and available for disposal in the absence of an operational requirement to justify retention.

6. A planning statement is being prepared outlining basic planning guidance for the reuse of both Micklefield House and the annex buildings to guide potential purchasers of the buildings in the event of a sale.
7. It is now proposed that each building be offered for sale on the open market inviting offers, as independent proposals but with the capacity to make a joint bid, if Micklefield House becomes vacant within a timescale that allows for a joint disposal, with any offers received being the subject of a further report in due course to the Chief Asset Management And Regeneration Officer. The properties would be offered with the benefit of the approved planning statement. It is also proposed that a small additional area of Council ownership indicated X be offered with Micklefield House in order to improve the capacity to mitigate existing constraints on car parking on the site.

Recommendations

8. It is recommended that the annex building and its immediate curtilage (as shown A on plan), and Micklefield House and its immediate surrounds (as shown B on plan and including area X) be offered for sale on the open market by informal tender as indendant lots seeking offers for their purchase. It is recommended that marketing of the annex building and footprint A be offered immediately and that Micklefield House be offered as soon as timescales for providing vacant possession are confirmed.

1 Purpose of this report

- 1.1 The purpose of this report is to outline the current position with regard to the subject properties, and to seek approval to the marketing of the buildings inviting offers on an informal basis for their purchase on the open market.

2 Background information

- 2.1 Micklefield House is a three storey detached stone built Victorian house providing approximately 7,000sft of office accommodation and shared car parking. The building is of architectural and historical interest dating back substantially to the 19th century and is located within a conservation area but not listed. The annex building, which originally served as the stable block to the main house, is a two storey detached building which also incorporates a terraced house previously used by the site's caretaker.
- 2.2 The established use of the main buildings is as offices and in view of the conservation area status of the location there is a strong planning presumption in favour of retaining the buildings. Although consent for their demolition will be resisted in view of this status, English Heritage have now received an application to list the house and the annex, which if successful would, impose further restrictions on changes to the building, including parts of the interior, and preclude demolition.
- 2.3 Micklefield House is the base for the Aireborough One Stop Centre and is partly occupied by Adult Social Care, the One Stop Centre and Children's Services. The annex building and the caretaker's building are vacant.
- 2.4 Proposals are being formulated to relocate existing service providers from the house leaving it vacant early next year and available for disposal.
- 2.5 The site also provides car parking for approximately 36 vehicles (excluding those already leased to the library building C) available on a first come first serve basis for

staff and visitors to Micklefield House, the annex, and by visitors to the adjoining park and local centre as well as providing general circulation space. Parking is highly constrained and substandard in terms of UDP requirements for current office developments which suggest that new equivalent office space alone of the size of Micklefield House and the annex would generate a requirement for approximately 34 spaces.

- 2.6 Relocation of existing service users is currently receiving consideration but is unlikely to be finalised for some months. Micklefield House, is to be vacated in stages over the course of the next six to nine months which will allow marketing of the property to proceed as plans are finalised.
- 2.7 The annex building is vacant and has been the subject of minor vandalism.
- 2.8 An investigation into car parking on site and how it may be apportioned between the respective buildings whilst retaining a level of public provision has been considered in some detail by Highways in conjunction with preparation of the planning statement and included the undertaking of a survey of current usage.
- 2.9 This has enabled a view to be formed of how car parking may be allocated between the different buildings and users should the properties be sold and the site ownership split and which aims to balance retention of space by the Council for public use with providing a reasonable number of spaces to new owners of the buildings.

3 Main issues

- 3.1 Micklefield House is due to become vacant and surplus to operational requirements once existing service users are relocated. The annex building and caretaker's house are surplus to operational requirements.
- 3.2 Car parking for existing uses is highly constrained requiring consideration of a split of parking between the different uses in order to provide viable sale lots for the surplus properties.
- 3.3 The initial town planning and highway advice received from the Chief Planning Services Officer in connection with the preparation of the planning statement indicates that existing office use is the preferred option for the building. Alternative uses such as conversion for residential use will require the provision of private amenity space on site and adherence to modern car parking standards which combined are unlikely to be achievable given the likely number of residential units that the available space within the buildings will dictate. The problem of alternative uses is further compounded by the requirement to continue to provide some car parking for public use in connection with the park and the adjoining local centre.
- 3.4 Discussions have taken place with Parks and Countryside and Conservation Officers who have agreed, in principle, to release a small area of the park shown X on plan for inclusion in any sale to create some capacity to increase on site car parking however this is still likely to be insufficient for a new residential use of the buildings and would only alleviate pressures arising from a division of the ownership of the site for continued office use. A release of this land has been considered on the basis that a contribution is made by the new owner for reinvesting in the park. The level of this figure is unlikely to be significant but is presently under consideration.

- 3.5 Officers have also explored the further possibility to create further car parking and/or amenity space close to the house by further encroachments into the park in the area indicated approximately as area D. Planning officers have however reaffirmed the position that further incursion into the designated protected greenspace is not acceptable and that utilising this area, which is tree covered is not acceptable for car parking uses nor for separate inclusion as private amenity space for a residential use of the buildings to create capacity elsewhere.
- 3.6 It is proposed that the footprints indicated on the attached plan form the basis of the sale areas to be offered with the buildings allowing an independent sale of each area with a number of car parking spaces to support the independent use of the buildings. The private car parking to support each of the two buildings would be contained within each of their own respective sale footprints shown. The remaining circulation areas and car parking areas outside of these footprints would remain in Council ownership to serve the park, the library and the public. Retained spaces are indicated on the attached plan.
- 3.7 On this basis car parking apportionment between the ownerships is as follows:-
- i) Micklefield House-potential for up to 18 spaces contained and sold within footprint B and X on plan for private ownership/use.
 - ii) Annex building and caretakers house- 9 spaces including existing integral garage contained within footprint A for private ownership/use.
 - iii) Public spaces for park users and local centre users (retained in Council ownership)-22 spaces. retained in the circulation areas outside of the proposed sale footprints and indicated in stippling on plan.
 - iv) Library-11 spaces (already leased out) within the footprint C.
- 3.8 A request was made to the library tenant regarding a joint use arrangement with the Council for public use of the 11 spaces contained within their lease however they are unwilling to formally provide for this. In practice, however, the spaces remain open to informal use outside of library hours.
- 3.9 Whilst marketing of the ownerships will identify the potential, in principle, for alternative uses for the buildings, it is envisaged that a sale for the existing office use, which does not require planning consent apart for the extension of parking over area X), is considered to be the most likely outcome of that marketing.
- 3.10 It is therefore proposed that the caretaker's house and annex building (footprint A) and footprint of the Micklefield House (footprint B incorporating the area X) each be marketed as independent lots by inviting informal offers on the open market for their purchase with any offers received being the subject of a further report to the Chief Asset Management and Regeneration Officer. If the timescales for vacating Micklefield House is shortened, then the opportunity to allow for a joint bid can be considered.
- 3.11 Separation of the property into two lots will also create capacity for marketing and disposal of Micklefield House to be regulated independently according to evolving timeframes for relocation of service users, if appropriate, whilst allowing a sale of the annex and caretaker's house to proceed without delay.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Ward members have been consulted on 17 February 2014 with respect to a disposal of the subject properties and are supportive of the initiative. One ward member is not supportive of conversion of the buildings for pub/restaurant type uses. He has, however, been advised that modern parking requirements are likely to limit interest primarily to existing office use which is promoted in the draft planning statement. A second ward member is supportive of the approach to disposing of the properties and to the car parking allocation proposed. He has expressed concerns regarding the incorporation of the area indicated X on plan into the proposals but acknowledges that this is probably the best approach given the restraints on the site and to mitigate car parking problems.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 No specific issues arise from the proposal to dispose of the properties however a sale of Mickfield House would not be completed until a satisfactory relocation of existing service users has been accomplished to ensure continuity of service provision. A level of car parking would remain for public users of the park and the local centre.

4.3 Council Policies and City Priorities

4.3.1 The properties are no longer required for retention for operational purposes and therefore a sale on the open market will alleviate the Council of a surplus asset generating a capital receipt which can be used to support the Council's spending programme. A disposal will also alleviate the Council of ad hoc holding costs associated with managing, securing and maintaining buildings not in operational use.

4.3.2 New ownership will also secure new uses for the buildings safeguarding a conservation area asset.

4.3.3 A sale of the buildings for refurbishment and re-use will also support Best City Priorities by presenting a brownfield redevelopment opportunity and will potentially support the local economy by providing a locational opportunity for a business occupier if acquired for office or other commercial use.

4.4 Resources and Value for Money

4.4.1 The buildings are no longer required for retention for operational purposes and are in good condition.

4.4.2 In the absence of a reason to justify their retention a sale will alleviate the Council of revenue costs associated with holding vacant and surplus property.

4.4.3 A sale would be facilitated by way of exposure to the open market with competitive bidding in the market place thereby ensuring that any price bid will be competitive and optimal.

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 in his opinion the proposed method of sale is the method most likely to secure the best consideration reasonably available for the properties as required under the Council's legal obligation contained in s123 of the Local Government Act 1972 (or the Housing Act 1985).

4.6 Risk Management

- 4.6.1 There is a risk that marketing may not generate any offers for the properties however the property will be fully exposed to the open market including advertising within regional and national media to maximise exposure to the opportunity presented.
- 4.6.2 Should offers be received it is possible that a selected purchaser may fail to proceed to complete a purchase of the property for which they have bid or be unable to discharge any conditions which they may attach to their offer. Proposals will however be scrutinised prior to selection of a purchaser and progress towards an unconditional sale will be monitored in order to minimise the risk of this happening.
- 4.6.3 The property is subject to an application for listing. Should this be successful it would prevent demolition of the building and may require retention of internal features. The property is however within a conservation area with a strong planning presumption against demolition. A risk exists that remodelling of the interior may be restricted and that the potential for this may inhibit interest in the property. However, as the property, in planning terms, is considered only likely to support its existing use as offices a successful application for listing shouldn't significantly affect the capacity to undertake minor refurbishment works allowing its continued use as offices.

5 Conclusions

- 5.1 It is concluded that there are no benefits to retaining the properties once existing service users are relocated from the site and therefore that they should be sold on the open market to secure a capital receipt, alleviate liability for holding costs and in order to safeguard the buildings for early re-use by a probable business user.

6 Recommendations

- 6.1 It is recommended that the annex building and its immediate curtilage (as shown on plan A), and Micklefield House and its immediate surrounds (as shown B on plan and including area X) be offered for sale on the open market by informal tender as independent lots seeking offers for their purchase with any offers received being the subject of a further report to the Chief Asset Management and Regeneration Officer. It is recommended that marketing of the annex building and footprint A be

offered immediately and that Micklefield House be offered as soon as timescales for providing vacant possession are confirmed.

7 Background documents¹

7.1 None

¹ 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.