

Agenda Item No:

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Report of: Land and Property
Report to: Director of City Development
Date: 10 February 2015
Subject: 258 Lidgett Lane, Leeds, LS17 6QE

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s):	Moortown	
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

- 258 Lidgett Lane comprises a large Victorian semi-detached villa, which was last used for student accommodation by Unipol Student Homes until summer 2013. Since this time, the property has remained vacant.
- The property has known structural defects and was declared surplus by the Director of Environment and Housing on 20 October 2014.
- It is now proposed to declare the property surplus to Council requirements and to its sale on the open market by way of offers. This method of sale is proposed following consultation with Ward Members, as it will allow the Council the opportunity to review the bids and the proposed use.

Recommendations

- It is recommended that approval is given to declare 258 Lidgett Lane surplus to Council requirements and to its sale on the open market by way of offers.

1 Purpose of this report

- The purpose of this report is to seek approval to declare 258 Lidgett Lane surplus to Council requirements and to its sale on the open market by way of offers.

2 Background information

- 2.1 258 Lidgett Lane comprises a large Victorian semi-detached villa, which is presently arranged as four bedsits and a 1 bed flat to the second floor. The property was last used for student accommodation and was leased from the Council by Unipol Student Homes until summer 2013. Since this time, the property has remained vacant.
- 2.2 A structural survey has revealed that the property requires extensive repair work, which could cost in the region of £97,000, as estimated by the NPS Group.
- 2.3 The property was declared surplus to the requirements of the vesting service by the Director of Environment and Housing on 20 October 2014.

3 Main issues

- 3.1 In relation to planning, the property is covered by the Article 4 declaration, which means planning permission is required to convert a Class C3 dwellinghouse into a Class C4 house in multiple occupation. Planning officers advise that the property does not have an existing planning permission for its last use as a House for Multiple Occupation (HMO), although it may be possible for a purchaser to apply for a Certificate of Lawfulness Use to retrospectively obtain consent. It is envisaged, however, that the most likely use of the property would be its conversion back into a single dwelling or conversion and extension to form separate flats, as has been done with the majority of neighbouring properties.
- 3.2 In light of the concerns that the house has previously been used as a House in Multiple Occupation, it is proposed to declare the property surplus to Council requirements and to sell it by way of inviting offers. Choosing to market the property by offers rather than public auction will allow the Council the opportunity to review the bids and the proposed use.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Ward Members were consulted on 17 December 2014 regarding the sale of the property. Councillor Sharon Hamilton confirmed by email on 17 December 2014 that she was happy to support the proposal, with Councillor Rebecca Charlwood confirming the same the following day. Councillor Sobel expressed a wish to restrict the use of the property to prevent its continuing use as a HMO. It was proposed that the Council should market the property free from any restrictions and review the bids and their proposed uses with the Ward Members at that stage. Councillor Sobel confirmed by email on 9 January 2015 that he was fine with this approach.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 Marketing details shall be made available in other languages, Braille etc, if requested. There are no other equality, diversity, cohesion or 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, which supports the best Council policy of promoting sustainable and inclusive economic growth by generating income for the Council.

4.4 Resources and Value for Money

4.4.1 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 property and therefore supports best value objectives of the Council.

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 proposal constitutes a significant operational decision and is therefore not subject to call in.

4.5.3 The Head of Land and Property 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 is considered below:

- a) If the property is not sold, the maintenance responsibility will remain with the Council.
- b) There is a risk that the property may not sell. This is unlikely given its location in a sought after area of the city.

4.6.2 Options relating to the proposed disposal are considered below:

- a) **Option 1: Not to sell the property.** This is not recommended as there is no operational reason to justify its retention.
- b) **Option 2: To sell the property by public auction.** This is a possible option, particularly as it provides for a swift sale, but as this method of sale requires the successful bidder to exchange contracts at the auction and complete the transaction four weeks later, it would not allow the Council the opportunity to first review the proposed use of the property in line with the wishes of Ward Members.
- c) **Option 3: To Sell the property on the open market by way of offers.** Whilst this method of sale compared to auction can take longer with the risk that the purchaser may withdraw, this is the recommended option on the basis that it will allow the Council the opportunity to review the proposed use of the property by the bidders in line with the wishes of Ward Members.

5 Conclusions

- 5.1 The report seeks approval to declare 258 Lidgett Lane surplus to Council requirements and to its sale on the open market by way of offers.

6 Recommendations

- 6.1 It is recommended that approval be given to declare 258 Lidgett Lane surplus to Council requirements and to its sale on the open market by way of offers.

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.