

Agenda Item No:

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Report of: Head of Land and Property**Report to: Director of City Development****Date:****Subject: GREENHILL CENTRE, GAMBLE HILL DRIVE, BRAMLEY, LS13 4JL**

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s):	Farnley & Wortley	
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. The purpose of this report is to seek approval to sell the subject site on the open market by way of public auction and should it fail to sell at auction, to approve the marketing of the site for sale through the invitation of informal offers.
2. The subject site comprises of a brick built single storey property with parking previously managed by Adult Social Care which has until recently been used as a community centre.
3. The subject property was vacated in December 2014 and is now surplus to operational requirements.

Recommendations

4. It is recommended that:
 - (i) The site is sold on the open market by way of public auction.
 - (ii) In the event of a sale not being achieved at auction then the property should be offered for sale on the open market through the expression of interest and invitation of offers. Any offers received will be reported back for consideration.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval to dispose of the Council owned site, Greenhill Centre, Bramley, as identified on the attached plan, on the open market by way of public auction. Should it fail to sell at auction, the site will be marketed through the invitation of informal offers.

2 Background information

- 2.1 The subject site as shown by black outline on the attached plan comprises of a brick built single storey property with parking which was previously managed by Adult Social Care and used as a community centre up until its closure in 2014.
- 2.2 The subject site is located on a large housing estate which is a mixture of private and Council owned properties.
- 2.3 The subject site was declared surplus to operational requirements by Adult Social Care on 17 March 2014.

3 Main issues

- 3.1 The subject site currently benefits from a planning consent for a D1 use granted in October 1983. Its current use would allow for the premises to be used as a clinic, health centre, crèche or day nursery without the need for planning permission.
- 3.2 Other than replicating its current D1 use or a use that falls within the same use class of the Town and Country Planning (Use Classes) Order 1987, any other change of use of the property or redevelopment of the site would require planning permission and would need to be considered on its merits having regard to development management considerations and planning policy.
- 3.3 It is felt that the most appropriate method of sale for this site would be by way of a freehold disposal on the open market by way of public auction.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Ward Members were consulted on 14 January 2015 on the proposal to dispose of the property by way of public auction. Only one response was received from Councillor David Blackburn who confirmed his support to the proposal.

4.2 Equality and Diversity / Cohesion and Integration

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

4.3 Council Policies and City Priorities

- 4.3.1 The disposal of the subject site will generate a capital receipt.

The subject site is surplus to the Council's operational 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 the best value objectives of the Council.

4.4 Resources and Value for Money

4.4.1 The sale of the subject site 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 Head of Land and Property 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 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). The auction reserve price will be agreed with the Head of Land and Property on behalf of the Director of City Development.

4.6 Auction Procedure

4.6.1 The auctioneer's standard conditions of appointment permit the auctioneer (unless the client specifically states otherwise), should a property fail to reach the reserve price, to accept (on the day of the auction only) an offer made by a willing buyer, provided that:-

- (i) The buyer signs the contract, and
- (ii) Is willing to pay the reserve price;

It is recommended that the auctioneer's ability to accept such offers is noted.

5 Risk Management

5.1.1 The risks associated with the proposed disposal are considered below:-

- (i) If the site is not sold then its maintenance responsibility will remain with the Council.
- (ii) There is a risk that the auction method of sale will not result in receipt of an acceptable bid at auction as prospective purchasers may have difficulty securing funding for a purchase. In the event of a sale not being achieved at auction the property can be offered by informal tender on the open market.

6 Conclusions

- 6.1 It is concluded that the subject property should be sold by way of a public auction and if a sale is not achieved at auction then the property is placed on the open market by way of inviting expressions of interest and then informal tenders.
- 6.2 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 future maintenance liabilities following a sale.

7 Recommendations

- 7.1 It is recommended that:
 - (i) The site is sold on the open market by way of public auction.
 - (ii) In the event of a sale not being achieved at auction then the property should be offered for sale on the open market through the expression of interest and invitation of offers. Any offers received will be reported back for consideration.

8 Background documents¹

- 8.1 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.