

Agenda Item No: Report author: Diane McPhee Tel: 50374

# Report of: Head of Land and Property

Report to: Director of City Development

Date: 17<sup>th</sup> November 2015

# Subject: 2 Rokeby Gardens, Headingley, Leeds, LS6 3JZ

Are specific electoral Wards affected?	🛛 Yes	🗌 No
If relevant, name(s) of Ward(s):	Headingley	
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. This report is to seek approval to dispose of 2 Rokeby Gardens, Headingley by way of public auction, or if an auction sale fails to seek informal offers.
- 2. 2 Rokeby Gardens has been declared surplus by Adult Social Care.
- 3. The sale of the 2 Rokeby Gardens will generate a capital receipt.

# Recommendations

- 4. It is recommend that 2 Rokeby Gardens, Headingley be:
  - i) Declared surplus to the Council's requirements,
  - Approval be given to dispose of the building by way of public auction with the reserve to be agreed by the Head of Land and Property on behalf of the Director of City Development, and
  - iii) In the event of sale by auction not being successful then approval is given for the property be advertised for sale on the open market with informal offers being invited.

# 1 Purpose of this report

1.1 The purpose of this report is to seek approval to dispose of 2 Rokeby Gardens, Headingley that is surplus to Council requirements, on the open market by way of public auction. In the event of a sale at auction being unsuccessful then it is recommended that approval be given that informal offers be invited.

## 2 Background information

- 2.1 Until December 2014 2 Rokeby Gardens was used by a service provider, Barnardos, on behalf of Adult Social care, as offices. Barnardos has since move out.
- 2.2 2 Rokeby Gardens is now surplus to the Council's requirements and no operational use has been found. It was declared surplus to the requirements of Adult Social Care Directorate on 28 September 2015 by the Head of Resoures and Strategy.
- 2.3 Alternative uses by the Council were considered. No service areas wish to occupy it and it was also considered for social housing. Social housing was not considered suitable based on a number of deciding factors; the house does not lend itself to energy efficiency and will be costly to maintain as it stands alone out of the remit of properties currently managed by Housing Leeds. Additionally the house has a high market value and the receipt from the sale can be used more productively for other Council priorities. The decision was made by the Director of Environments & Housing.

#### 3 Main issues

- 3.1 2 Rokeby Gardens is a period red brick and render end terrace house, with a grey slate roof. Barnardos used the property as offices, but a change of use planning permission for use of the house as an office cannot be traced. The property could be returned easily to residential use, possibly subject to planning.
- 3.2 Planning Services advised that the house is located within a defined area of the City covered by an 'Article 4' direction, and that a change to a small HMO (House of Multiple Occupancy) with 6 or fewer residents, would require planning permission. They also advised a planning application to use this house as a HMO would be resisted.
- 3.3 The property comprises, ground floor: entrance hall with two reception rooms and a kitchen. First floor two large rooms and a third smaller room, separate w.c and a bathroom (no bath), third floor: two further rooms. Externally there is a small rear yard and cottage style area to the front and side.

#### 4 Corporate Considerations

#### 4.1 Consultation and Engagement

4.1.1 Ward Members were consulted 7 October 2015 by email inviting their comments on the proposal to sell the property. Councillor Walshaw responded on behalf of all Ward Members asking why the house was not suitable to be returned to the Councils housing stock. Initially a telephone conversation took place with Councillor Walshaw, who was advised that the house does not lend itself to energy efficiency, and will be costly to maintain as it stands alone out of the remit of properties currently managed by Housing Leeds. Additionally the house has a high market value and the receipt from the sale can be used more productively for other Council priorities. Councillor Walshaw advised he still had concerns about the lack of available Council houses in his Ward. He did, however, confirm that he understood why it was more cost effective for the house to be sold and agreed with the proposal to sell the house. An email was sent to the other Ward Members advising of the conversation with Cllr Walshaw. No responses were received.

# 4.2 Equality and Diversity / Cohesion and Integration

4.2.1 There are no equality issues arising from this proposal. The auctioneer will be requested to provide details in other languages, Braille etc if require.

# 4.3 Council Policies and City Priorities

4.3.1 The disposal of the building will generate a capital receipt and result in the Council achieving its aim of using its property more efficiently.

# 4.4 Resources and Value for Money

4.4.1 The sale of the building will generate a capital receipt and contribute towards the Council's capital programme. The Council's maintenance responsibility will cease.

# 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 decision and is therefore not subject to call in.
- 4.5.3 The Head of Land and Property confirms the proposed method of sale by auction is 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:
- 4.6.2 If the building is not sold the maintenance responsibility and associated costs will remain with the Council.
- 4.6.3 There is a risk that the property may not sell. However, if the property does not sell, the reserve price can be reviewed and can be offered for resale at the next auction at no additional cost. Alternatively, if it is determined that a second attempt by auction is inappropriate then the property could be offered for sale by the invitation of informal offers on the open market.

#### 5 Conclusions

5.1 It can be concluded that the 2 Rokeby Gardens, Headingley be sold. A sale by auction is considered to be the most appropriate method of achieving this.

#### 6 Recommendations

- 6.1 It is recommend that 2 Rokeby Gardens, Headingley be:
- i) Declared surplus to the Council's requirements,
- ii) Approval be given to dispose of the building by way of public auction with the reserve to be agreed by the Head of Land and Property on behalf of the Director of City Development, and
- iii) In the event of sale by auction not being successful then approval is given for the property be advertised for sale on the open market with informal offers being invited.

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

7.1 None.

<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.

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