

Agenda Item No:

Report author: Darren Wilding

Tel: 378 7676

Report of : Head of Land and Property
Report to : Chief Officer Economy and Regeneration
Date:
Subject: Land at Crawshaw Road, Pudsey, LS28 7UB.

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

1. This property is the cleared site of Musgrave Court, which was a residential home latterly used as accommodation for elderly people. The property was declared surplus in February 2016. The buildings on site were demolished between May and July 2016.
2. Marketing has been undertaken and offers invited by a closing date. A number of offers have been received.
3. This report seeks approval to sell the land on the terms set out in the attached confidential appendix.

Recommendations

4. It is recommended that the Chief Officer Economy and Regeneration grants approval to dispose of the subject property to the preferred bidder.

1 Purpose of this report

- 1.1 The purpose of this report is to present the offers received following the marketing exercise and to seek approval to dispose of the freehold interest in the subject property to the recommended bidder.

2 Background information

- 2.1 Musgrave Court is a former home for elderly people and is shown on the attached plan. The premises were closed and declared surplus to operational requirements by the Chief Officer Resources and Strategy on 4 September 2013.
- 2.2 The site measures approximately 0.38 hectares (0.95 acres) and is bordered to the sides by residential properties and a day centre, to the rear by a public footpath and to the front by adopted highway. Vehicular access to the site is from Crawshaw Road.
- 2.3 The Director of City Development granted approval on 8 March 2016 to a recommendation that the subject site be declared surplus to requirement and that Asset Management offer the property for sale on the open market by seeking expressions of interest with a view to selling by public auction or inviting offers by a specified date.

3 Main issues

- 3.1 Marketing of the Council's freehold interest by way of informal tender has been undertaken and a number of offers have been received. These are detailed in a separate confidential appendix.
- 3.2 The property was marketed on an unconditional basis with no restriction on use.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Ward members were consulted prior to the site being declared surplus and were supportive of the proposed course of action for the sale of the property.
- 4.1.2 Ward Members were consulted by e-mailed letter on 12 October 2015 in respect of the proposed sale of the site. Councillors Coulson and Jarosz indicated their support for a sale of the property. Councillor R. Lewis is supportive of the proposal to sell the site in isolation of the adjacent Council property.
- 4.1.3 Two of the Pudsey Ward Members and the Executive Member for Health, Wellbeing and Adults were briefed about the proposed disposal and offers on 20 September 2016 by an Executive Manager, Strategic Asset Management, City Development. They are content with the recommendations for disposal.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 This proposal has no specific implications for equality, diversity, cohesion and integration.

4.3 Council Policies and City Priorities

- 5 The sale of this land supports the Best Council Outcome to improve the quality of life for our residents, particularly for those who are vulnerable or in poverty.

5.1 Resources and Value for Money

- 5.2 Disposal of the Council's interest will generate a capital receipt and thereby contribute to the Council's Capital Receipts programme. It also offers an opportunity for private investment in the site.

5.3 Legal Implications, Access to Information and Call In

- 5.3.1 Under Part 3, Section 3E(g) of the Council's Constitution (Officer Delegation Scheme (Executive Functions)) the Director of City Development has authority to discharge any function of the Executive in relation to Asset Management.
- 5.3.2 The Chief Officer Economy and Regeneration, Head of Asset Management and Head of Land and Property have authority to take decisions in relation to Asset Management as delegated in the Director of City Development's sub delegation scheme.
- 5.3.3 The proposal constitutes a significant operational decision and is therefore not subject to call in.
- 5.3.4 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.
- 5.3.5 The Head of Property Services confirms that in his opinion the terms offered to the Council represent the best consideration that can reasonably be obtained under Section 123 of the Local Government Act 1972 (or under the Housing Act 1985).
- 5.3.6 The information contained in the Appendix attached to this report relates to the financial or business affairs of a particular person, and of the Council. This information is not publicly available from the statutory registers of information kept in respect of certain companies and charities. It is considered that since this information was obtained through one to one negotiations for the disposal of the property/land then it is not in the public interest to disclose this information at this point in time. Also it is considered that the release of such information would or would be likely to prejudice the Council's commercial interests in relation to other similar transactions in that prospective purchasers of other similar properties would have access to information about the nature and level of consideration which may prove acceptable to the Council. It is considered that whilst there may be a public interest in disclosure, much of this information will be publicly available from the Land Registry following completion of this transaction and consequently the public interest in maintaining the exemption outweighs the public interest in disclosing this information at this point in time. It is therefore considered that this element of the report should be treated as exempt under Rule 10.4.3 of the Access to Information Procedure Rules.

5.0 Risk Management

6 The risks associated with the proposed disposal are outlined in the attached confidential appendix.

7 Options

8 Options relating to the proposed disposal are considered in the attached confidential appendix.

9 Conclusions

9.1 It is considered that the proposed disposal of this site represents good asset management and will realise a significant capital receipt for the Council.

10 Recommendations

10.1 It is recommended that the Chief Officer Economy and Regeneration grants approval to dispose of the subject property to the preferred bidder.

11 Background documents¹

None

The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.