

## Report of Land and Property

### Report to Director of City Development

**Date: 5 August 2019**

**Subject: Armley Grange, Armley Grange Drive, Armley, Leeds, LS12 3QH**

|   |   |
|---|---|
| Are specific electoral wards affected?  | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| If yes, name(s) of ward(s): Armley  |   |
| Has consultation been carried out?  | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Are there implications for equality and diversity and cohesion and integration? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Will the decision be open 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

### 1. Main issues

- The property comprises a grade II listed early 19<sup>th</sup> century large house, with 1960s single storey annexe on a site of 0.54 ha (1.32 ac).
- The main house is vacant and the annexe is due to be vacated shortly. The Council has no future requirement for the property, so it is now proposed to dispose of the property on the open market by way of auction.

### 2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- The disposal will result in a capital receipt to the Council that will contribute to the Best Council Plan by supporting communities and promoting sustainable and inclusive economic growth

### 3. Resource Implications

- The property is surplus to Council 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.

## **Recommendations**

- a) It is recommended that approval be given to declare Armley Grange surplus to Council requirements and its sale on the open market by way of auction.

### **1. Purpose of this report**

- 1.1 The purpose of this report is to seek approval to declare Armley Grange surplus to Council requirements and its sale on the open market by way of auction.

### **2. Background information**

- 2.1 The property comprises a grade II listed early 19<sup>th</sup> century large house with 1960s single storey annexe on a site of approximately 0.54 ha (1.32 ac). The site is unallocated in the Unitary Development Plan and draft Site Allocations Plan.
- 2.2 The main house was last occupied by the Alzheimer's Society as day centre and offices until their vacation in March 2018 when the property entered void management. The annexe building is used as offices by Leeds Centre for Integrated Living (LCIL), who are due to relocated shortly into alternative premises.

### **3. Main issues**

- 3.1 The property is not considered suitable for alternative Council uses and it is therefore proposed to sell it on the open market by way of auction.
- 3.2 Planning and conservation advice has been sought, which suggests the retained listed main house could be used for continued community / office purposes or converted to residential. The annexe is suitable for demolition and could be replaced with a new building of the same uses, which should serve to preserve or enhance the setting of the listed building.
- 3.3 It is proposed and recommended to sell the property on the open market by way of auction.

### **4. Corporate considerations**

#### **4.1 Consultation and engagement**

- 4.1.1 Ward Members were consulted on 8 December 2017, regarding the proposal outlined in this report. Councillor James McKenna replied on the same date advising that he did not object to the sale, but felt there should be a planning brief / condition to ensure the open space be preserved and the character of the building retained and protected. Now former Councillor Alison Lowe replied on the same date supporting the views expressed by Councillor McKenna. A reply was sent to all Ward Members on the same date outlining that planning and conservation advice was being sought and this would be included in the marketing information.
- 4.1.2 Ward Members have since been provided with an update on 14 June 2019 to advise that the property was now to be marketed, subject to this report being approved, as vacant possession was about to be obtained.

#### **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 the Best Council Plan**

- 4.3.1 The disposal will result in a capital receipt to the Council that will contribute to the Best Council Plan by supporting communities and promoting sustainable and inclusive economic growth.

#### Climate Emergency

- 4.3.2 The property comprises a grade II listed former house and 1960s annexe, which are not the most energy efficient buildings. Work to convert or refurbish the main house following its sale should improve its energy efficiency and any potential redevelopment of the annexe would involve modern construction methods and materials to improve energy efficiency. Any development proposals may be subject to planning permission and listed building consent, which would further consider the impact this site will have on the climate.

### **4.4 Resources, procurement and value for money**

- 4.4.1 The property is surplus to Council 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 site and therefore supports the best value objectives of the Council.

### **4.5 Legal implications, access to information, and call-in**

- 4.5.1 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.
- 4.5.2 The Chief Officer Asset Management 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.
- 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).

### **4.6 Risk management**

- 4.6.1 The risks associated with the proposed disposal are 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 this type of property rarely comes to the market.

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 on the open market by way of offers.** This is a possible option, but this method can take many months to conclude, particularly if parties need to secure funding and/or a planning permission, and does not offer the same level of certainty that the sale will complete or necessarily realise a higher receipt than auction.
- c) **Option 3: To sell the property by public auction.** This is the recommended option, particularly as it provides for a swift sale with the successful bidder required to exchange contracts on the day of the auction and complete the transaction four weeks later. This method generally achieves similar results to offers, but obviates holding costs associated with maintain and securing vacant premises.

## 5. Conclusions

- 5.1 It is concluded that approval be given to declare Armley Grange surplus to Council requirements and its sale on the open market by way of auction.

## 6. Recommendations

- 6.1 It is recommended that approval be given to declare Armley Grange surplus to Council requirements and its sale on the open market by way of auction.

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

- 7.1 None.

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<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.