

## Proposed disposal of Lobb Cottage

Date: 08.06.2023

Report of: Land and Property

Report to: Chief Officer Asset Management and Regeneration

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

### Brief summary

The report recommends the disposal of Lobb Cottage by means of a public auction. Lobb cottage is a stone built period bungalow which has been unused for some time and is now deteriorating in condition.

Lobb Cottage is no longer an operational premises for the Council nor an income generating asset, it is therefore recommended that the cottage be disposed of on the open market by means of a public auction.

Sale of the cottage will create a capital receipt for the Council's services, and remove an ongoing health and cost liability for the Council. Sale of the cottage will benefit the local area by bringing the property back into use as a private dwelling.

### Recommendations

- a) That approval be given to the disposal of Lobb Cottage, Thorn Lane, Roundhay by means of a public auction.

### What is this report about?

- 1 This report relates to Lobb cottage a void bungalow which sits adjacent to the Roundhay school entrance and recommends its disposal by public auction.
- 2 Executive Board on 8 February 2023 agreed as a Key Decision that Lobb Cottage be declared surplus and injected to Capital Receipts Programme as a surplus property for sale. Decisions relating to the method of disposal were delegated to the Director of City Development.
- 3 Disposal of the property would divest the Council of ownership and the liability of this property sitting in void and being a health and safety concern as it falls into disrepair. This would generate a capital receipt to help support a wide variety of projects as part of the Best Council Plan. Disposal at auction is likely to produce the highest receipt as opposed to a disposal by

one-to-one negotiation. Consideration has been given that Lobb cottage whilst not a listed building, is a positive asset within Roundhay conservation area and this will be mentioned in the sales particulars..

### What impact will this proposal have?

- 4 The property will be sold as a residential dwelling and once bought should be put back into use, generating a safer and more aesthetically pleasing environment. The capital return on this disposal can be used to fund other services at the Council. The property does not generate any income and is not an operational premises.

### How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing       Inclusive Growth       Zero Carbon

- 5 The proposal will support the health and wellbeing of the surrounding neighbourhood bringing this property back into safe repair and become more visibly pleasing. It would support inclusive growth by putting a property back into use to support housing growth.

### What consultation and engagement has taken place?

Wards affected: Roundhay

Have ward members been consulted?       Yes       No

- 6 Ward Members Councillor Bowden, Councillor Hussain and Councillor Martin were consulted by e-mail on the 13<sup>th</sup> July 2023, 3<sup>rd</sup> October 2023 and 10<sup>th</sup> November to advise that it will be recommended Lobb Cottage be disposed of by auction. . Councillor Bowden responded and had no comments and Councillor Martin had asked that as a condition of Lobb cottages sale its exterior charm is preserved in future, provisions have been made in the sale contract for non demolition and for the purchaser to refurbish the property within 12 months of acquisition. No comments have been received from Councillor Hussain.

### What are the resource implications?

- 7 The property has been in void management for some time and has fallen into serious disrepair. The Cottage is not a Listed building but is a positive building in the designated conservation area of Roundhay, and is a non designated heritage asset in its own right. It was previously used as a residential premises but now sits empty on an attractive piece of land and in a sought-after location. The sale of the cottage will see a purchaser bring the property back into use which is good estate management. This would remove a liability and associated time and costs from the Councils void management team. The property serves no operational purpose, and it is not an income generating asset.
- 8 Lobb cottage sits adjacent to the vehicular and pedestrian entrance to Roundhay school. The school's boundary fence was incorrectly positioned during construction of the school and does not enclose all the land included in the PFI lease. Land included in the PFI lease is coloured pink and yellow on plan 14796AB, the yellow land being outside the boundary fence and having the appearance of being in the garden of Lobb Cottage. The red land is owned by the Council, is not included in the PFI lease although is enclosed by the school's fence having the appearance of part of the school grounds. The incorrect positioning of the school fence during construction of the school has resulted in a very narrow point of access to Lobb Cottage. .

- 9 Roundhay school has been contacted by e-mail and confirmed on the 7<sup>th</sup> December 2023 that there were no objections to the realignment of the fence and it would have no operational impact on the school. Subsequently arrangements have been made by the SPV and LCC contract managers and the realignment of the fence has started w/c 8<sup>th</sup> April 2024 and will be completed within 5 days.
- 10 There is no mention of Lobb cottage within the PFI agreement for Roundhay school as such the disposal of the cottage is not affected by the school lease or PFI project.

### **What are the key risks and how are they being managed?**

- 11 The main risk is that the property does not sell at auction, this is unlikely given its location and the desirability of the residence once refurbished.

### **What are the legal implications?**

- 12 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.
- 13 The Chief Officer Asset Management and Regeneration, Head of Asset Management, Technical Lead and Deputy 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.
- 14 The proposal constitutes a **Significant Operational Decision** and is therefore not subject to call in.
- 15 The Deputy 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).
- 16 Contracts for the sale of the property will be exchanged at the auction provided an agreed reserve price has been exceeded. This reserve price will be approved by the Head of Asset Management prior to the auction in consultation with the Technical Services Lead (Property).

### **Options, timescales and measuring success**

#### **What other options were considered?**

- 17 An alternative option would be to not sell the property and either refurbish and let the property or demolish and sell the land. Both options would be costly and time consuming and, the return on investment if the property were to be refurbished and let may be slow.
- 18 A further option could be to dispose of the cottage by inviting informal offers but this is a time consuming method of disposal although it gives the opportunity to select a purchaser by name.

#### **How will success be measured?**

- 19 Success will be measured by disposal of the property at auction.

#### **What is the timetable and who will be responsible for implementation?**

- 20 The proposed timescale would be to get the property to auction at the first available date once confirmation of the ability to view the property has been obtained. Completion would be 28 days after the auction.

**Appendices**

- None.

**Background papers**

- None