

9 Foxcroft Close, Kirkstall, LS6 3NT

Date: 27th November 2024

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

Summary

9 Foxcroft Close is a detached house located in Kirkstall that was previously used as office space by Children and Families. Before that it was a local authority children home but planning permission was obtained in 2002 to change the use to an office.

The property has been in Void Management since the middle of 2024, when the teams who had been occupying the building were relocated to various alternative sites. The site was declared surplus to occupational requirements on 14th June 2024 and it is proposed to dispose of the property on the open market by way of public auction.

9 Foxcroft Close is a detached property measuring approx. 169.8 sq. m. and sits on a plot measuring 0.24 ac. As shown on the attached plan [24392].

Recommendations

- a) It is recommended that 9 Foxcroft Close be declared surplus to Council requirements and sold by auction, at a reserve price to be approved prior to the auction.

What is this report about?

- 1 This report relates to 9 Foxcroft Close which is proposed to be sold on the open market by way of an auction.
- 2 The property is no longer required and was declared surplus to service requirements by the Chief Officer of Resources, Transformation and Partnerships on 14th June 2024. It is now recommended that the property be auctioned. This property will be added to the Capital Receipts Programme in advance of the next annual update report in February 2025 and it will be mentioned in that report.
- 3 The property has no vehicular access and can only be accessed via an adopted footpath from the nearby cul-de-sac. Although it is accepted the lack of vehicular access may limit interested parties, it is presumed this will not have too much of a negative impact on the value achieved at auction. It is assumed that the property will be converted back into a residential property, and it has been observed that some of the surrounding properties don't benefit from parking.

What impact will this proposal have?

- 4 The disposal will generate a capital receipt to the Council as well as absolve the Council of any retention and maintenance costs.

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

Health and Wellbeing Inclusive Growth Zero Carbon

- 5 The disposal will impact the three pillars as the capital receipt realised from the sale and savings on the retention costs will be used by the Council on initiatives relating to the pillars. It is assumed that the new owner will refurbish the property which will directly impact on inclusive growth as this work could create new job opportunities in the local area for people and businesses. The refurbishment would adhere to the Council's guidance on dealing with the Climate Emergency and contribute directly to the Council's ambition of carbon neutrality. It is assumed the property would be refurbished taking into consideration the latest standards of energy efficiency and eco friendliness. That would produce a better standard of living for the owners/occupants as well as reduce our impact on the planet at the same time.

What consultation and engagement has taken place?

Wards affected: Kirkstall

Have ward members been consulted? Yes No

- 6 The Ward Members were consulted on 02nd December 2024 and informed of the Council's intention to dispose of the site by public auction. Cllr Fiona Venner asked if this property could be returned into the council housing stock, however, she was informed that there was a lot of exploration over possible uses before this was handed over to the Land and Property Team for disposal. Due to the properties limitations which included parking and access as well as the costs involved in refurbishment, the best course of action was disposal. Cllr Andy Rowntree and Cllr Hannah Bithell didn't have anything to add in addition to the comments that had already been made.

What are the resource implications?

- 7 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 values objectives of the Council.

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

- 8 There is a risk that the property may not sell. However, this is unlikely given recent auction results which demonstrate strong interest in similar properties of this type and value.

What are the legal implications?

- 9 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.
- 10 The Chief Officer Asset Management and Regeneration, Head of Asset Management, Technical Services Lead (Land and Property) and Executive Manager Land and Property (Deputy) have authority to take decisions in relation to Asset Management as delegated in the Director of City Development's sub delegation scheme.
- 11 The proposal constitutes a Administrative Decision and is therefore not subject to call in.

12 The Executive Manager (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)

Options, timescales and measuring success

What other options were considered?

- 13 **Option 1: Not to retain the property.** Retention of the property would require a high level of investment to bring it back into use for service delivery and such a large investment cannot be justified.
- 14 **Option 2: To sell the property on the open market by informal tender on a conditional basis.** 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 at auction.
- 15 **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 the holding costs associated with maintaining and securing premises. Based off the success of past auction disposals recently, it's likely that this method could produce the highest receipt to the Council in a quicker timeframe than conventional offers.

How will success be measured?

16 Success will be measured by a sale being completed.

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

17 It is proposed that 9 Foxcroft Close will be marketed and sold by auction within the 2024/25 financial year. Responsibility for implementing will rest with the Land & Property team who will manage the disposal

Appendices

- Appendix 1 – site plan [24392]

Background papers

- None