

North Tyneside Council

Report to Cabinet

Date: 13th August 2012

ITEM 5(I)

Title: Property
Considered Surplus to
Council Requirements

Portfolio(s):	Cabinet Member(s):
Elected Mayor	Mrs Linda Arkley
Finance	Councillor Judith Wallace
Housing	Councillor Paul Mason

Report from Directorate: Finance and Resources

Report Author: Fiona Rooney (Tel 0191 6435724)
Strategic Director of Finance and Resources

Wards affected: Northumberland
Benton
Killingworth
Monkseaton South

PART 1

1.1 Purpose:

A number of Council owned properties have been identified for consideration as being surplus to requirements and available for sale. Any capital receipts obtained will contribute towards funding the Council's Capital Plan.

This report advises Cabinet on the properties identified and seeks approval to the recommendations made.

1.2 Recommendation(s):

It is recommended that Cabinet:-

- i. declares the properties detailed in the schedule attached to this report as Appendix 1, surplus to Council requirements and available for sale by an appropriate method of marketing;
- ii. authorises the Senior Manager - Strategic Property (Estates and Valuation), in consultation with the Elected Mayor, to make minor amendments to the boundary of each property detailed in the schedule if necessary, as permissible within the Council's legal powers and/or as land owner;

- iii. grants delegated authority to the Senior Manager - Strategic Property (Estates and Valuation), in consultation with the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, to market each property and to accept the best bid consistent with the planning guidelines, where these are applicable;
- iv. grants delegated authority to the Senior Manager - Strategic Property (Estates and Valuation), in consultation with the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, to agree a minimum sale price acceptable to the Council in advance of an auction where it is considered that this is the most appropriate method of sale for a property;
- v. grants delegated authority to the Senior Manager - Strategic Property (Estates and Valuation), in consultation with the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, to agree the final terms of disposal if it is considered appropriate to sell a property by private treaty, subject to the sale price being considered best value;
- vi. grants delegated authority to the Senior Manager - Strategic Property (Estates and Valuation), in consultation with the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, to complete negotiations for the sale of each property in accordance with all relevant legal requirements, the Council's Constitution and Financial Regulations;
- vii. grants delegated authority to the Senior Manager - Strategic Property (Estates and Valuation) to deal with all ancillary matters arising that are consistent with the preceding recommendations.

1.3 Forward plan:

The report is identified in the Forward Plan for the period 1st August 2012 to 1st November 2012.

1.4 Council plan and policy framework:

This report is relevant to the following theme within the Council Strategic Plan 2012-2015:

Priority 3 – Providing affordable rented housing in partnership with the private sector and registered social landlords.

1.5 Information:

Attached to this report as Appendix 1, is a schedule of property that is considered to be surplus to Council requirements and suitable for making available for sale. Supplementary plans are attached to Appendix 1 showing the boundary of each property by way of dark outline.

Property 1 & 2 are vacant former care homes.

Property 3 is an area of vacant land that has formerly been let for grazing purposes. More recently, it has proved difficult to find a suitable tenant for the land, and the Council has subsequently experienced difficulties with illegal grazing. The land has the potential for residential development, including affordable provision.

Property 4 is an area of vacant land that is adjacent to former Council owned land that has recently been sold and now has planning permission for two dwellings. By declaring this additional area of land surplus to requirements, there may be the opportunity to negotiate a private treaty sale with the new owner of the adjacent land to provide additional dwellings. If this proves unsuccessful, the land can be offered to the market by way of sealed bids.

1.6 Decision options:

There are two decision options available to Cabinet:

1. To approve the sale of all of the properties detailed in the schedule at Appendix 1.
2. To approve the sale of some of the properties detailed in the schedule.

1.7 Reasons for recommended option:

The recommended option, Option 1, is considered the best way to achieve the level of capital receipts required to support the Council's Capital Plan 2012/13, and to deliver housing and business opportunities within the Borough.

1.8 Appendices:

Appendix 1: Schedule of properties together with supplementary plans.

1.9 Contact officers:

Niall Cathie – Property Strategy Manager – Tel. 0191 643 6517
Anthony Gollings – Finance Business Manager supporting Finance and Resources
Tel. 0191 643 8071

1.10 Background information:

Property ownership records.
Council Capital Plan 2012/2013.

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The capital receipts from the sale of Council owned properties will go towards funding the Council's Capital Plan. Details of the specific designation for each receipt are detailed in the schedule attached as at Appendix 1.

2.2 Legal

All normal and relevant procedures and legal requirements reflecting the respective land use and status of these properties will need to be followed to dispose of each property.

2.3 Consultation/community engagement

Internal consultation has been undertaken between relevant officers and Cabinet Members.

Relevant Ward Members will have been advised of the intention to seek approval to these properties being declared surplus to Council requirements by notification in the Member's Newsletter, week commencing 6th August 2012.

Where a property is brought forward for redevelopment, there will be the opportunity for members of the public to express their views through the normal planning procedure.

2.4 Human rights

There are no human rights issues arising from this report.

2.5 Equalities and diversity

There are no direct equality and diversity implications arising from the report.

2.6 Risk management

Risks associated with this disposal strategy have been considered. At this stage, it is felt no specific risk needs to be added to the Directorate risk register.

2.7 Crime and disorder

Where a property is brought forward for redevelopment, crime and disorder issues will be considered as part of the normal planning procedure.

2.8 Environment and sustainability

Where a property is brought forward for redevelopment, environment and sustainability issues will be considered as part of the normal planning process.

PART 3 - SIGN OFF

- Strategic Director(s) X
- Mayor/Cabinet Member(s) X
- Chief Executive X
- Chief Finance Officer X
- Monitoring Officer X
- Strategic Manager,
Policy and Partnerships X