

North Tyneside Council Report to Cabinet Date: 11th February 2013

ITEM 6(f)

Title: Property
Considered Surplus to
Council Requirements

Portfolio(s): Elected Mayor	Cabinet Member(s): Mrs Linda Arkley Councillor Judith Wallace
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Report from Directorate: Chief Executive's Office

Report Author: Graham Haywood, Chief Executive **Tel:** 6432001

Wards affected: Whitley Bay
Valley
Wallsend

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. declare 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. authorise the Client Manager – Property, 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. authorise the Client Manager – Property, in consultation with the Head of Business and Economic Development (and, on a temporary basis pending the postholder to the said post joining the Authority, to the Head of Legal, Governance and Commercial Services), the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, to market the properties, where applicable, and to accept the best bids;
- iv. authorise the Client Manager – Property, in consultation with the Head of Business and Economic Development (and, on a temporary basis pending the postholder to the said post joining the Authority, to the Head of Legal, Governance and Commercial Services), 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. authorise the Client Manager – Property, in consultation with the Head of Business and Economic Development (and, on a temporary basis pending the postholder to the said post joining the Authority, to the Head of Legal, Governance and Commercial Services), 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. authorise the Client Manager – Property, in consultation with the Head of Business and Economic Development (and, on a temporary basis pending the postholder to the said post joining the Authority, to the Head of Legal, Governance and Commercial Services), 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. authorise the Client Manager - Property 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 9th January 2013 to 30th April 2013.

1.4 Council plan and policy framework:

This report may be 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 – This is the existing Customer Services and Housing office serving Whitley Bay which will be vacated when the new Customer First Centre opens imminently.

Property 2 – This is a walled area of grass at the end of a residential terrace of properties and which has the appearance of being a private garden and which may be of interest to the adjacent property owner.

Property 3 – This is an area of fenced scrub land which lies outside of the Borough immediately south of the A1/A19 intersection. The land may be of interest to the adjacent land owner.

Property 4 – Similar to Property 3, this is an area of fenced scrub land which lies outside of the Borough immediately north of the A1/A19 intersection. Again, the land may be of interest to the adjacent land owner.

Property 5 – This is an area of fenced vacant land opposite Fenwick Pit which may be of interest for agricultural or recreational use.

Property 6 – These are vacant industrial buildings which have been part of the Council's commercial portfolio. The buildings are no longer capable of letting without considerable expenditure on refurbishment.

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 2013/14, and to deliver housing, business and recreational opportunities within the Borough.

1.8 Appendices:

Appendix 1: Schedule of properties together with supplementary plans.

1.9 Contact officers:

Niall Cathie – Client Manager - Property – Tel. 0191 643 6517
Alison Campbell - Finance Business Manager – Tel:0191 643 7038

1.10 Background information:

- (1) Property ownership records.
- (2) 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

Any disposals in relation to the properties listed will be progressed and completed in compliance with the Council's Financial Regulations and applicable legislation.

2.3 Consultation/community engagement

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

Relevant Ward Members have been advised of the intention to seek approval to these properties being declared surplus to Council requirements by email or correspondence. A notification has also been included within the Members' Newsletter for the week commencing 4th February 2013.

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 directly arising from this report.

2.5 Equalities and diversity

There are no equality and diversity implications directly 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 process.

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

Report author Graham Haywood – Chief Executive