

1 June 2015

Agenda Item:9a

REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY & ENVIRONMENT

DISPOSAL OF THE FORMER CARETAKERS BUNGALOW (ALL SAINTS CATHOLIC ACADEMY), BROOMHILL LANE, MANSFIELD

Purpose of the Report

1. To seek approval to the freehold disposal of the former caretaker's bungalow (All Saints Catholic Academy), Broomhill Lane, Mansfield, Nottingham, NG19 6BW.

Information and Advice

2. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Having regard to the circumstances, on balance the public interest in disclosing the information does not outweigh the reason for exemption because divulging the information would significantly damage the Council's commercial position. The exempt information is set out in exempt appendix.
3. The caretakers dwelling serving the All Saints Catholic Academy was declared surplus in February 2014. It was intended to dispose of the property at public auction, but Japanese Knotweed was discovered within the garden. This was accordingly treated and in October 2014 confirmation was received that this had now been totally eradicated.
4. This 3 bedroom bungalow is situated adjacent to the school drive as shown hatched on the attached plan. There is a pedestrian access at the side of the electric security gates to the school. Nottinghamshire County Council reserved a right of way at all times with or without vehicles along the school drive from Broomhill Lane by way of the 1973 Conveyance between the County Council of the Administrative of Nottingham and the Nottingham Roman Catholic Diocesan Trustees.
5. Before marketing the site, the access route along the school drive would have to be resolved as in its present form; this would cause significant issues to both the purchaser and the School. However, the School are the freehold owners of the grass verge fronting the property and if this was purchased, an alternative vehicular access could be created. Preliminary discussions were held with the Academy for Nottinghamshire County Council to purchase a strip of this land, upon which the site could then be formerly marketed.
6. It is estimated that this area of land could be purchased for approximately £2,000 - £3,000 which would enhance the value of the bungalow, However, before it was

marketed, planning permission would have to be obtained for use of this land for access. There is also a sight line issue due to an electric sub-station built adjacent to the proposed vehicular access. This is surrounded by a brick wall some 1½ metres high. Highway approval would also have to be obtained.

7. Meetings have been held with two firms of Auctioneers, Savills and W A Barnes who have successfully disposed of a number of former caretaker dwellings on behalf of Nottinghamshire County Council in the past. They have both advised that once the access issue has been resolved the bungalow would have a market value between £80,000 and £100,000. They would advertise this as their guide price prior to the auction, with a reserve being set a few days beforehand.
8. However, Nottinghamshire County Council have been approached by the Brunts Charity who wish to declare an interest in purchasing the property. The Charity consists of 11 trustees including 1 County Councillor and 3 District Councillors and are the freeholders of a small development of some 42 dwellings on Champion Crescent which is located to the rear of the former caretaker's bungalow. The Charity was founded in Mansfield in 1711 and currently has 153 residential properties across 3 sites in Mansfield, The Patchills, Samuel Close and Champion Crescent. These residential units are let to people in financial hardship who are 60 years or older. They have 25 x 1 bedroom flats, 113 x 1 bedroom bungalows and 12 x 2 bedroom bungalows. They also operate 2 warden managed community centres that are open to residents for activities such as keep fit and lunch clubs. In addition to these, they also let part of their properties to Crossroads Care who provide respite support to carers from the local area. The Charity also have a significant commercial property portfolio in Mansfield, the income from which helps fund the services they offer to their residents.
9. The Brunts Charity are seeking to expand their services and are currently in discussions with the County Council to purchase land adjacent to one of their developments to provide extra care / dementia facilities for the elderly. This includes the provision of more 2 bedroom properties for which there is high demand. They see that the former caretaker's bungalow would offer the potential for a much needed second 2 bedroom property within their Champion Crescent site. The 3rd bedroom would be converted into a small utility room and the bathroom into a wet room. They will create an access route to the property from their Champion Crescent site and will therefore not require access from the All Saints Catholic Academy.
10. By agreeing to such a disposal, this will relieve the County Council of the need to seek planning permission and Highway consent for the new access, which may not be forthcoming. Fees will also apply to obtain such approvals. In addition to agreeing a purchase price for the strip of land from the Academy, there will also be their agents & solicitors fees for which the Council will be required to pay as we are initiating this proposal. Taking this all into consideration, it is estimated that by disposing of the bungalow to the Brunts Charity, it will save the County Council approximately £5,000 in purchasing the strip of land along with all the other associated fees etc.
11. The Charity have made a formal offer to purchase the bungalow which is deemed to be at market value and approval is sought to dispose of the Council's freehold interest to the Brunts Charity, terms of which are contained in the exempt appendix.

12. The disposal may be considered to represent a sale at less than best value, as defined by s123 Local Government Act 1972. The full value of the site, having regard to its location is assessed as being in the region of up to £100,000. Paragraph 20.3.6.1 of the Council's Financial Regulations provide that, where only one party is interested or is to be invited to submit a signed contract, the Service Director, Transport, Property and Environment, in consultation with the Chairman of Finance and Property Committee shall take a decision after discussing the circumstances with the Group Manager for Legal Services and the Section 151 Officer. Both Officers have now been consulted and are satisfied with the proposal.
13. The circumstances which permit the Authority to depart from the requirement to achieve best value are contained in the General Consent Order [The Local Government Act 1972: General Disposal Consent (England 2003)]. The Order lays down no specific process, but simply requires that the following matters are considered:-
- 13.a.i The local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or of all or any persons resident or present in its area;
13. a.i.1 The promotion or improvement of economic well-being;
13. a.i.2. The promotion or improvement of social well-being;
13. a.i.3. The promotion or improvement of environmental well-being; and
- 13.a.ii The difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds).
14. It is considered that this proposal satisfies Paragraph 13.a.ii above and no concerns have been raised about the transaction out of the consultation referred to at Paragraph 12 above.

Other Options Considered

15. Continue negotiations with the All Saints Catholic Academy to purchase the strip of land, upon which, enter the bungalow into an auction. Sale completion will take longer than disposing of the site to the Brunts Charity, which will result in the property suffering vandalism along with holding costs, i.e. Council Tax (£1,116.47 for 2015/16) & standing charges for utility services.
16. Enter the property into an auction without resolving the vehicular access issue. This would result in a lower than expected capital receipt, which may be lower than the offer received from the Brunts Charity.
17. Advertise the premises for sale by tender, but again there will be a long lead in time resulting in holding costs and the risk of vandalism.

Reason/s for Recommendation/s

18. The Authority has no strategic or operational requirement for the property.

Statutory and Policy Implications

19. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

1) That approval be given to the sale of property on terms detailed in the exempt appendix.

Jas Hundal

Service Director – Transport, Property & Environment

For any enquiries about this report please contact: Steve Rippey 0115 977 2089

Constitutional Comments (CEH 12.5.15)

20. The recommendation falls within the delegation to the Finance and Property Committee by virtue of its terms of reference.

Financial Comments (TR 05.05.15)

21. The financial implications are set out in the report and the exempt appendix to the report.

Background Papers and Published Documents

22. None.

Electoral Division(s) and Member(s) Affected

23. Ward(s): Mansfield West

Member(s): Councillor Darren Langton, Councillor Diana Meale

File ref.: /SR/SB/02189

SP: 2835

Properties affected: 02189 - Caretaker's bungalow (All Saints Comp)