

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 18 SEPTEMBER 2018

Title of report	DISPOSAL OF PROPERTY – CONFIRMATION OF URGENT ACTION
Key Decision	Financial – Yes Community - Yes
Contacts	Councillor Roger Bayliss 01530 411055 roger.bayliss@nwleicestershire.gov.uk Strategic Director of Housing and Customer Services 01530 454819 glyn.jones@nwleicestershire.gov.uk Head of Housing and Property 01530 454780 chris.lambert@nwleicestershire.gov.uk
Purpose of report	To seek Cabinet confirmation of a decision taken by the Chief Executive and Leader under the urgency provisions within the HRA Disposal Policy.
Reason for decision	The proposal to dispose of the property was in accordance with the HRA Disposal Policy, which was approved by Cabinet on 3 March 2015, to generate a capital receipt to meet the needs of the HRA Business Plan.
Council priorities	Value for Money, Homes and Communities.
Implications:	
Financial/Staff	The proceed of sale will contribute towards the annual income from sales target (of £400,000) within the approved Housing Capital Programme
Link to relevant CAT	None
Risk Management	None
Equalities Impact Screening	Due to the high number of refusals and inability to let 58 Ramscliff Avenue, it was not possible to rehouse a family from the Housing Register in this property.
Human Rights	None

Transformational Government	Active asset management is an important part of our HRA Asset Management strategy, to ensure we spend our money wisely, and deliver the agreed quality of Council housing for tenants.
Comments of Head of Paid Service	Report is satisfactory.
Comments of Section 151 Officer	Report is satisfactory.
Comments of Deputy Monitoring Officer	Report is satisfactory.
Consultees	Corporate Asset Management Group (AMG).
Background papers	Report to Cabinet 3 March 2015 – HRA Disposals Policy
Recommendations	THAT CABINET CONFIRM THE DECISION OF THE CHIEF EXECUTIVE AND LEADER OF THE COUNCIL TO ACCEPT AN OFFER OF £73,900 FOR THE FREEHOLD SALE OF 58 RAMSCLIFFE AVENUE DONISTHORPE.

1.0 REPORT

- 1.1 A Council property situated at 58 Ramscliffe Avenue, Donisthorpe was identified as having historic structural movement when it became empty after an elderly and longstanding tenant passed away. The property had suffered from significant historic subsidence and had a sloping floor to both ground and first floor level. The slope is very pronounced, and cannot be rectified without rebuilding the property which would not represent value for money.
- 1.2 Following an evaluation of the available options it was decided to carry out empty homes repair works to the property and seek to let it through the Choice Based Lettings system. This proved unsuccessful, as despite identifying a number of prospective tenants, they all withdrew their interest following viewings.
- 1.3 A valuation of the property was therefore undertaken which indicated an open market value of between £10k and £12k, as the site value only.
- 1.4 Following a further evaluation of the options, it was determined that we should dispose of the property through an estate agents advert. The property was advertised through Newton Fallowell estate agents and after over 20 viewings and a request for best and final offers, we received three confirmed bids, the highest of which was £73,900 from a Mr Yates.
- 1.5 The HRA disposals policy requires the acceptance of any offer over £50k to have Cabinet approval prior to acceptance, and this was not anticipated to be necessary given the initial low valuation figure received. The disposal policy includes provision for urgent action, and this was exercised, with the Chief Executive and Leader confirming acceptance of the offer.

The disposal policy requires that any use of the urgency provision is reported to the next available meeting of Cabinet, hence this report.

- 1.6 The true market value of this property was clearly significantly higher than the initial valuation received, and the learning from this experience will be contribute to future application of the Asset Management Strategy.