

Committee Name and Date of Committee Meeting

Cabinet – 20 May 2019

Report Title

Disposal of Surplus Properties

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Paul Woodcock, Strategic Director of Regeneration and Environment

Report Author(s)

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Ward(s) Affected

Maltby
Rother Vale
Swinton

Report Summary

The purpose of this report is to seek approval to dispose of the Council's freehold interest in the following surplus properties:-

- The site of the former Maltby Library, High Street, Maltby and greenspace land to the rear.
- Treeton Youth Centre and the adjacent land, Church Lane, Treeton.
- Former caretaker's residence at 6 Fitzwilliam Street, Swinton.

Recommendations

1. That approval be given to the proposed disposal of the Council's freehold interest in the following properties:-
 - a) The site of the former Maltby Library, High Street, Maltby and greenspace land to the rear.
 - b) Treeton Youth Centre and the adjacent land, Church Lane, Treeton.
 - c) Former caretaker's residence at 6 Fitzwilliam Street, Swinton.
2. That the Assistant Director for Planning, Regeneration and Transport be authorised to agree and implement the method of disposal for each asset.
3. That the Head of Legal Services be authorised to negotiate and complete the necessary legal agreements.

List of Appendices Included

Appendix 1 Schedule of surplus properties and description

Appendix 2 Property location plans

Appendix 3 Exempt financial addendum

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

Yes

An exemption is sought for Appendix 3 under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, as this report contains sensitive commercial information that could impact on the negotiation strategy and disposal values.

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information because the Council's commercial interest could be prejudice by the disclosure of this commercial information.

Disposal of Surplus Properties

1. Background

- 1.1 The subject properties have been declared surplus to requirements by the operational service. Consultations have taken place with all relevant Council services and no alternative operational use has been identified.
- 1.2 The properties are (or are soon to become) vacant, which poses a potential future risk to the Council both in terms of securing and maintaining the assets, but also the liability for the continuing holding costs.

2. Key Issues

- 2.1 The Council regularly reviews its property portfolio to ensure a fit for purpose estate, reduce unnecessary holding costs and, where appropriate, generate capital receipts.
- 2.2 Services have been consulted on the proposals and had the opportunity to consider if any of the subject properties would be suitable for their operational requirements. No business cases have been submitted for the retention of any of the assets listed.
- 2.3 The properties have also been advertised externally, through an expression of interest, to ascertain if a public sector partner or community/third sector organisation has a requirement for them. No viable expressions of interest have been submitted and therefore disposal is considered the most appropriate option.

3. Options considered and recommended proposal

- 3.1 It is recommended that each of the subject properties is individually offered for disposal with legal completion at the earliest opportunity.
- 3.2 Should Cabinet approve the disposal of the assets included in this report, then the Asset Management Service will determine the most appropriate method of disposal for each, ensuring best consideration is achieved.
- 3.3 In relation to the Maltby site, two separate expressions of interest have been received for the purchase of the site and, should the disposal be approved, these will be considered alongside any further interest received.
- 3.4 On the Maltby Site there is a telecommunications mast leased out to a third party. Should Cabinet approve the disposal of the site, consideration would need to be given to either dispose of in situ, relocation of the mast or termination of the lease agreement.

- 3.5 In relation to the Treeton site it is recommended that the Multi Use Games Area (MUGA) is included in the proposed disposal, as the facility is adjacent to the Treeton Youth Centre and can only be accessed across the youth centre site. The area is subject to a lease to the Parish Council, which has expired, and the Parish Council is holding over on the terms of the lease. The Parish Council has not fulfilled the repairing obligations of the lease and the MUGA has been closed off due to Health and Safety concerns. The Parish Council have been approached regarding their interest in the MUGA and have confirmed that they have no future use for this area and would have no objections to their lease agreement being brought to an end.
- 3.6 In relation to the Swinton site, the option to use the former caretaker's residence at 6 Fitzwilliam Street as a community facility has been considered. However, this option has been dismissed due to concerns raised over the restricted access which would prevent any intensification in use.
- 3.7 Two separate expressions of interest to purchase the former caretaker's residence have been received. Should Cabinet approve the disposal of the property, it is recommended that the property be put to the open market in order to demonstrate that best consideration has been achieved and giving all interested parties equal opportunity to submit an offer.

4. Consultation on proposal

- 4.1 All Ward Members have been consulted on the proposals in relation to the properties in their Wards and no objections have been received.
- 4.2 The recommendation to dispose of these surplus properties was supported by the Asset Management Board at its meeting on 14th March 2019.
- 4.3 Relevant Council Services have been contacted regarding the future of the assets listed, and further consultation across a range of directorates has taken place via the Asset Management Board.
- 4.4 In relation to the Maltby site, Green Spaces have been specifically consulted on regarding the potential loss of green space land and, provided that the proposed disposal area does not sever the public footpath to the north of the site, have no objections.
- 4.5 Public sector partners have been contacted regarding the future of the subject properties and further consultations have taken place at the Strategic Estates Group meetings. No objections have been received.
- 4.6 Expressions of interest and comments on the future of the properties have been sought from community and third sector organisations, via the Council's Area Partnership Officers, the Council internet and Voluntary Action Rotherham. To date, no objections have been received.

5. Timetable and Accountability for Implementing this Decision

- 5.1 Should the proposed disposal option be approved, Asset Management will request approval from the Assistant Director for Planning, Regeneration and Transport for the disposal method for each site.
- 5.2 Once approved Asset Management will instruct Legal Services to prepare the necessary documentation in readiness for disposal.

6. Financial and Procurement Advice and Implications

- 6.1 There are no direct procurement implications arising from this report.
- 6.2 The estimated capital receipts from the sales are identified in the exempt Appendix 3.
- 6.3 The revenue savings arising from the disposal of the former Maltby Library will contribute to the approved 2018/19 revenue saving, R&E 9e in respect of the relocation of the Maltby Library into the neighbouring Maltby Joint Service Centre. The remaining surplus property disposals will contribute to the approved revenue saving CCR2, in respect of the wider corporate review of land and property. Costs equating to £11,600 per annum for short term maintenance, rates and security will be incurred until final disposal of the properties

7. Legal Advice and Implications

- 7.1 There are no additional legal implications arising from this report other than have already been identified relating to the need to ensure best consideration on any disposal and the identification of the area being sold around the Treeton Youth Centre.

8. Human Resources Advice and Implications

- 8.1 Council employees based at Treeton have been fully consulted on the building closure as part of the Early Help review. There are no other human resources implications.

9. Implications for Children and Young People and Vulnerable Adults

- 9.1 No implications arising out of this report.

10. Equalities and Human Rights Advice and Implications

- 10.1 No implications arising out of this report.

11. Implications for Partners

- 11.1 Public sector partners have been consulted on the properties listed in this report. See paragraph 4.5.

12. Risks and Mitigation

- 12.1 Should the Council retain these assets without an identified operational requirement or clear plan for their future use, they will place a significant financial burden on current resources.
- 12.2 As the properties are (or soon will become) vacant, there is a risk that they will attract anti-social behaviour, acts of vandalism or arson; resulting in deterioration of their condition and possible reduction in capital value.
- 12.3 The main mitigation for both of the above risks is to dispose of the sites.

13. Accountable Officer(s)

Paul Woodcock, Strategic Director Regeneration and Environment
Bronwen Knight, Acting Assistant Director of Planning Regeneration and Transport
Paul Smith, Head of Asset Management
Lindsay Johnson. Strategic Asset Manager

Approvals obtained on behalf of:-

	Named Officer	Date
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	25/04/19
Assistant Director of Legal Services (Monitoring Officer)	Bal Nahal	23/04/19
Assistant Director of Human Resources (if appropriate)	John Crutchley	26/03/19
Head of Procurement (if appropriate)	John Crutchley	26/03/19

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