

Key Decision Required:	Yes	In the Forward Plan:	No
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CABINET

13 MARCH 2015

REPORT OF THE REGENERATION, INWARD INVESTMENT AND GROWTH AND ASSET MANAGEMENT PORTFOLIO HOLDER

A.7 FREEHOLD DISPOSAL OF 63, WEST STREET, HARWICH
(Report prepared by Aileen Middleton and David Black)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek the Portfolio Holders' approval for the freehold disposal of 63 West Street situated in Harwich.

EXECUTIVE SUMMARY

The Council owns 63 West Street, Harwich which has been part of the housing stock for some years. The house is in a poor condition and no longer fits the criteria required by the housing department. The house is a 5 bed roomed, 3 storey dwelling which is in need of complete renovation.

The property is a listed building and includes a right of way through the garden from the property at the rear to West Street. The property was marketed by agents and we have had 3 valuations to ensure best value is obtained.

The property falls within the housing revenue account and the proceeds of the purchase will be used to purchase another dwelling in Harwich which is more easily maintained and of a size more in demand.

RECOMMENDATIONS

That Cabinet authorises the freehold disposal, in principle, subject to its decision on terms set out in the report in Part B of this agenda.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The disposal will have the potential to deliver on the following Council priorities:

- Ensuring our residents live in high quality housing which meets local needs.
- Regenerating the District and improving deprived areas.
- Protecting and enhancing our environment, countryside and coast.

A capital receipt offers the potential to contribute to the investment in acquiring other housing assets.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The freehold disposal will result in a capital receipt for the Council. Details of this are contained in

Part B of this agenda.

Risk

There is a minimal risk that the purchase might not complete but if this does happen then we would remarket the property and find another purchaser.

LEGAL

Section 123(1) Local Government Act 1972 indicates that, a local authority may dispose of land held by it in any way it wishes so long as (section 123 (2)) the land is disposed for a consideration not less than the best that can reasonably be obtained.

The General Disposal Consent Order (England) 2003 gives consent for disposal at below best consideration reasonably obtainable provided that the undervalue is less than £2m and the proposal enhances the environmental economic and social wellbeing of the area.

Section 123(2A) Local Government Act 1972 indicates that, a local authority may not dispose of land held by it without advertising its intention to do so in the local press.

In coming to decisions in relation to management of assets, the Council must act in accordance with its statutory duties and responsibilities. Under case law following Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the district.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of Crime and Disorder, Equality and Diversity, Health Inequalities, Consultation/Public Engagement and Wards; and any significant issues are set out below.

None

Ward

Harwich East

PART 3 – SUPPORTING INFORMATION

BACKGROUND

- 63 West Street is a 3 storey late 18th Century property with 5 bedrooms. However, the property is in a very poor condition and as it has no kitchen, it is not mortgagable.
- The house has been let for some years but is now vacant.
- The house is part of the HRA and its sale would enable the Council to directly use the proceeds from a sale to reinvest in housing in the Harwich area.
- The Council has obtained independent valuations and the property has been extensively marketed in order to obtain the best consideration possible.
- The sale price is at the top end of the valuations obtained.

CURRENT POSITION

- The building is empty and deteriorating. It is therefore a drain on the housing resources in terms of its upkeep.
- The house is too large and expensive to run to be an asset to the housing stock. This type of property is not in demand in the Harwich area for social housing.
- The sale price for the freehold is considered to be the Best Consideration Reasonably

obtainable.

- It is proposed that the sale is allowed to proceed and the capital receipt be used to purchase a property more in keeping with the needs of local people.
- The financial details are contained in Part B of this agenda.

FURTHER HEADINGS RELEVANT TO THE REPORT

None

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

- **Appendix A – Location Plan**



TENDRING DISTRICT COUNCIL

**M. KNAPPETT
BA(hons). DMS. MCIH.
HEAD OF CORPORATE
PERFORMANCE**

Title

**63 West Street, Harwich,
Essex CO12 3DB**

Date: 4 March 2015

Scale: 1:1250

Drawn By: J. Weavers

Drawing No. & Revision

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