




Haringey Council

Report for:	Cabinet 12 th February 2013	Item Number:	To be added by the Leader's Office
--------------------	--	---------------------	------------------------------------

Title:	Disposal of Council Properties
---------------	--------------------------------

Report Authorised by:	Lyn Garner - Director of Place and Sustainability  Signed
------------------------------	---

Lead Officer:	Dinesh Kotecha – Head of Corporate Property Tel: 020 8489 2101 e-mail: dinesh.kotecha@haringey.gov.uk
----------------------	---

Ward(s) affected: N/A	Report for Key Decision
------------------------------	--------------------------------

1. Describe the issue under consideration

- 1.1. The report recommends disposal of a property that is not suitable for long-term retention following changes in service delivery. It is further recommended that the disposal should proceed directly, given the need to achieve capital receipts to sustain the capital programme whilst reducing property running costs.

2. Cabinet Member introduction

- 2.1. The property has become surplus to Council requirements. Its disposal is therefore in accordance with the Council's Corporate Asset Policy and will also release latent value and generate capital receipts to support the capital programme and wider Council priorities.

3. Recommendations

- 3.1. To authorise the Head of Corporate Property Services, in consultation with the Cabinet Member for Finance and Carbon Reduction, to dispose of the Council's

freehold interest in the property (A) as identified in the exempt part of this report for the best consideration reasonably obtainable on the open market.

4. Alternative options considered

4.1. Retention of the property as is:-

Following consideration as part of the Property Review, including consultation with Services, no future Council operational or strategic requirements have been identified for the property.

4.2. Retention for wider area regeneration:-

The property is not in a designated regeneration area and its sale for the highest value generating purposes will also help to improve and consolidate the local area.

5. Background information

5.1. Changes in service delivery agreed by the Council in 2011 have resulted in the property (A) becoming surplus to Council requirements.

5.2. Other Council Directorates have been consulted and none has identified a desire to occupy or make use of the property for Council purposes.

5.3. Details of the property are set out in Exempt Appendix A

6. Comments of the Chief Finance Officer and financial implications

6.1. The sale of the above property will generate a significant capital receipt which should be achievable during the financial year 2013-2014 and which, subject to funding regulations, will be up to 100% useable in line with the Council's Capital Strategy and re-directed to other Council objectives in accordance with capital programme priorities. Disposal of this property has already been assumed within the capital receipts forecast that underpins the draft capital programme for 2013-14.

6.2. The proposed disposal will generate revenue savings achieved from eliminating the running costs associated with the property. These savings would contribute towards the significant savings targets from the accommodation strategy agreed as part of the 2011-12 budget process and required to be delivered in 2013-14, unless specifically identified in pre-agreed savings proposals from services. Additionally, offering the property for sale at the earliest possible opportunity will minimise holding and security costs for which no explicit budget exists.

6.3. The costs of preparing this property for disposal and achieving such will be offset from any capital receipt achieved.

7. Head of Legal Services and legal implications

7.1. Subject to investigation of title, under Section 123 of the Local Government Act 1972 the Council has the power to dispose of its freehold interest in the property. The only constraint being that the sale on the open market be for the best consideration reasonably obtainable.

7.2. Consideration should be given to include in the sale agreement overage provisions designed to trigger further payment in the event of increased density of the sale site at a later date.

8. Comments of the Deputy Director for Community Housing

8.1. The proposal supports the delivery of the Council's Housing Strategy 2009-2019 through increased capacity to provide net additional affordable housing as part of the creation of mixed and balanced communities in the borough.

9. Equalities and Community Cohesion Comments

9.1. The capital receipt generated from the disposal will support Council objectives benefiting the wider community.

10. Policy Implication

10.1. The proposal is consistent with the Councils' Corporate Asset policy as set out in the Asset Management Plan.

11. Reasons for Decision

11.1. The recommendation to dispose is in line with the Council's Corporate Asset Policy which is "to only hold assets that are required for immediate service delivery or contribute to the achievement of corporate objectives and priorities in the longer term". By implementing this policy, the Council is able to both rationalise its property holdings and generate capital receipts to support the capital programme. In some cases it can facilitate regeneration schemes through disposal of surplus, inefficient or uneconomic buildings.

12. Use of Appendices

12.1. (Appendix A is exempt).

13. Local Government (Access to Information) Act 1985

13.1. The report contains exempt information. Exempt information is contained in Appendix A and is **not for publication**. The exempt information is under the following category (identified in amended schedule 12A of the Local Government Act 1972):-

S(3) Information relating to the financial or business affairs of any particular person including the authority holding the information.