

TITLE OF REPORT: Surplus Declaration of 112/114 Kells Lane, Low Fell

REPORT OF: Strategic Director, Corporate Services and Governance

Purpose of the Report

1. To seek approval to (i) the property at 112/114 Kells Lane, Low Fell being declared surplus to the Council's requirements and (ii) the future proposal for the property after being declared surplus.

Background

2. The property, which is shown edged black on the attached plan, is a 5 bedroomed end of terrace house that was acquired in 1980 pursuant to section 96 of the Housing Act 1957, and has been used as a Council dwelling since that time.
3. The house, which is in poor condition, was vacated earlier this year and the cost of bringing it back up to a lettable standard would be prohibitive. Therefore, it is no longer required for service delivery by the Council.

Proposal

4. It is proposed that the property be declared surplus to the Council's requirements and disposed of on the open market.

Recommendations

5. It is recommended that Cabinet:-
 - (i) declare the property surplus to the Council's requirements; and
 - (ii) authorise the Service Director, Legal Democratic and Property Services to dispose of the property on the open market.

For the following reason:-

To manage resources and rationalise the Council's assets in line with the Corporate Asset Strategy and Management Plan 2015 -2020 thereby facilitating the long term sustainability of the Housing Revenue Account.

CONTACT: Zoe Sharratt extension: 3503

Policy Context

1. The proposed surplus declaration supports the overall vision for Gateshead as set out in Vision 2030 and the Council Plan. In particular, Live Well Gateshead – the destination of choice for families with a range of excellent and affordable housing options.
2. The proposed declaration will also accord with the provisions of the update of the Corporate Asset Strategy and Management Plan 2015 – 2020. In particular, the rationalisation of the estate through the disposal of an uneconomic asset and therefore facilitating the long term sustainability of the Housing Revenue Account.

Background

3. The property, which is shown outlined in black on the attached plan, was acquired in 1980 pursuant to section 96 of the Housing Act 1957. It has been held for housing purposes and used as a Council dwelling since that time.
4. The 5 bedroomed house, which is in poor condition, is no longer required for service delivery as the cost of bringing it back up to a lettable condition would be prohibitive.
5. This disposal would accord with section 32 of the Housing Act 1985 and paragraph A3.1.1 of the General Consent for the Disposal of Land held for the purposes of Part II of the Housing Act 1985 – 2013 and, therefore, there will be no requirement to obtain specific consent from the Secretary of State.
6. As the property was not originally acquired in advance of a Compulsory Purchase Order (CPO), the Crichel Downs Rule, which generally requires a property acquired in advance of a CPO to be offered back to its previous owner before being sold on the open market, does not apply to the disposal.

Consultation

7. In preparing this report consultations have taken place with the Leader, Deputy Leader and ward councillors for Low Fell who have raised no objections to the proposal.

Alternative Options

8. The option of retaining the property has been discounted as due to its condition it would require substantial investment to bring it up to an acceptable lettable standard.

Implications of Recommended Option

9. Resources:

a) **Financial Implications** - The Strategic Director, Corporate Resources confirms that the future disposal of the property is expected to generate a capital receipt for the Council which will be reinvested in the Council's housing stock.

b) **Human Resources Implications** - There are no implications arising from this recommendation.

c) **Property Implications** - The future disposal of this property will result in a reduction in the Council's overall property portfolio thus reducing operational costs.

10. **Risk Management Implication** - The future disposal of this property will remove opportunities for anti-social behaviour to vacant property.

11. **Equality and Diversity** – There are no implications arising from this recommendation.

12. **Crime and Disorder Implications** - The future disposal of this property will remove opportunities for crime and disorder.

13. **Health Implications** - There are no implications arising from this recommendation.

14. **Sustainability Implications** - There are no implications arising from this recommendation.

15. **Human Rights Implications** - There are no implications arising from this recommendation.

16. **Ward Implications** – Low Fell.

17. **Background Information** - None.
