

## **AGENDA ITEM: 8**

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Meeting	Cabinet Resources Committee
Date	14 December 2011
<b>Subject</b>	<b>Disposal of Surplus Garage Sites</b>
Report of	Cabinet Member for Resources and Performance
Summary	To remarket the councils freehold interest in 6 garage sites and to conclude a disposal to the highest bidder, subject to the approval of the final terms by the Cabinet Member for Resources

Officer Contributors	Simon Shaer – Valuer (Property Services) Judith Ellis – Valuation Manager (Property Services)
Status (public or exempt)	Public with separate exempt report
Wards affected	Include all wards
Enclosures	Plan no's
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

Contact for further information: Simon Shaer, Valuer, Property Services, 0208 359 7357, [simon.shaer@barnet.gov.uk](mailto:simon.shaer@barnet.gov.uk).

## **1. RECOMMENDATIONS**

- 1.1 That the Committee approves the remarketing of the Council's freehold interest in the garage sites either as a package, or individually as listed in 1.3 and as shown edged red on the attached plans.**
- 1.2 That the results of the remarketing exercise be reported to the Cabinet Member for Resources and Performance for approval, under delegated powers, of the final terms of disposal.**
- 1.3 The garages referred to in section 1.1 are as follows:**
  - **Bedford Road, Mill Hill**
  - **Linden Road, Brunswick Park**
  - **Park Road, New Barnet**
  - **Fairmead Crescent, Edgware**
  - **Back Lane, Burnt Oak**
  - **Balfour Grove, New Southgate**

## **2. RELEVANT PREVIOUS DECISIONS**

- 2.1. Cabinet Resources Committee 3 September 2007 Decision Item 8 - RESOLVED that the Council's freehold interest at Back Lane Garages, Burnt Oak, be sold by tender on the open market, subject to further satisfactory title investigations and subject to the consent of the Secretary of State for Communities and Local Government.**
- 2.2. Cabinet Resources Committee 5th March 2009 Decision Item 6 – RESOLVED that the Committee agrees to market the garage sites to parties interested in providing affordable housing solutions.**

## **3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1 The Corporate Plan 2011-2013 commits the Council to delivering better services with less money. A key principle of the medium term financial strategy is to continually review the use of Council assets so as to reduce the cost of accommodation year on year and to obtain best consideration for any surplus assets to maximise funds for capital investment and/or the repayment of capital debt. The sale of these surplus sites will generate a capital receipt.**

## **4. RISK MANAGEMENT ISSUES**

- 4.1. Continued council ownership of some of the sites listed in section 1.3, will result in the continuation of anti –social behaviour and fly tipping.**
- 4.2. There is a risk that the valuations outlined in the Exempt Report may not be achieved.**
- 4.3. There are no other significant risks identified.**

## **5. EQUALITIES AND DIVERSITY ISSUES**

- 5.1 The Council is committed to improving the quality of life and wider participation for all in the economic, educational, cultural, social and community life of the Borough. This proposal achieves this by removing underutilised areas within housing estates that may attract vandalism and anti-social behaviour.**
- 5.2 It is not considered that the proposal will give rise to any issues under the Council's Equalities policies and does not compromise the Council in meeting its statutory equalities duties.**

## **6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

- 6.1 There are no procurement, performance and value for money, staffing, IT or sustainability implications.
- 6.2 The property implications are set out in paragraph 8 below. The financial implications are set out in the attached Exempt Report.

## **7. LEGAL ISSUES**

- 7.1 Local authorities are given powers under Section 123 of the Local Government Act 1972 (as amended) to dispose of land held by them in any manner they wish, including sale of their freehold interest, granting a lease or assigning any unexpired term on a lease, and the granting of easements. The only constraint is that, except with the consent of the Secretary of State, a disposal must be for the best consideration reasonably obtainable. There are, however, a number of General Disposal Consents covering routine matters which preclude the need to specifically approach the Secretary of State.
- 7.2 The Council's statutory duty referred to in 7.1 above, will be complied with by undertaking a marketing campaign, and inviting bids. The requirement to obtain best value will be achieved through this process..

## **8. CONSTITUTIONAL POWERS**

- 8.1 Council Constitution, Part 3, Responsibility for Functions, paragraph 3.6 - Functions delegated to the Cabinet Resources Committee including all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.
- 8.2 Council Constitution, Part 4, Council Procedure Rules, Management of Real Estate, Property and Land, paragraph 19 – All recommendations for approval of the sale price and other terms of disposal must contain a statement from the Chief Valuer, or if appointed, from suitably qualified external agents that the Council will obtain the best price which can reasonably be obtained or that there is approval through the General Consent or that the consent of Central Government has been obtained or will be sought to enable the disposal of the property to proceed as recommended.

## **9. BACKGROUND INFORMATION**

- 9.1 In late 2008 a review was conducted by Barnet Homes and Property Services into the garage sites held within the Housing stock. The review considered their use, occupancy, anti –social behaviour and possible development potential.
- 9.2 Once that review was concluded, authority was sought to market an initial tranche of 10 sites to developers and Registered Social Landlords (RSLs) in order bring about innovative solutions for the provision of affordable housing on all or some of the sites.
- 9.3 However, the decline in the property market resulted in insufficient interest being generated and the Council did not proceed with these disposals.
- 9.4 The sites have been re-appraised and following advice provided by the Council's planning team which identified the sites that are likely to provide opportunities for small scale residential development, a reduced number of six sites have been selected to take forward for marketing. Anticipated receipts are detailed in the separate Exempt Report.
- 9.5 Property Services have liaised further with Barnet Homes to ensure the sites selected

have a high vacancy rate, and are both difficult to maintain and have a history of anti social behaviour. A number of sites outlined in the previous review have been removed as they are either unlikely to attract development interest in the current climate, or have lower vacancy rates.

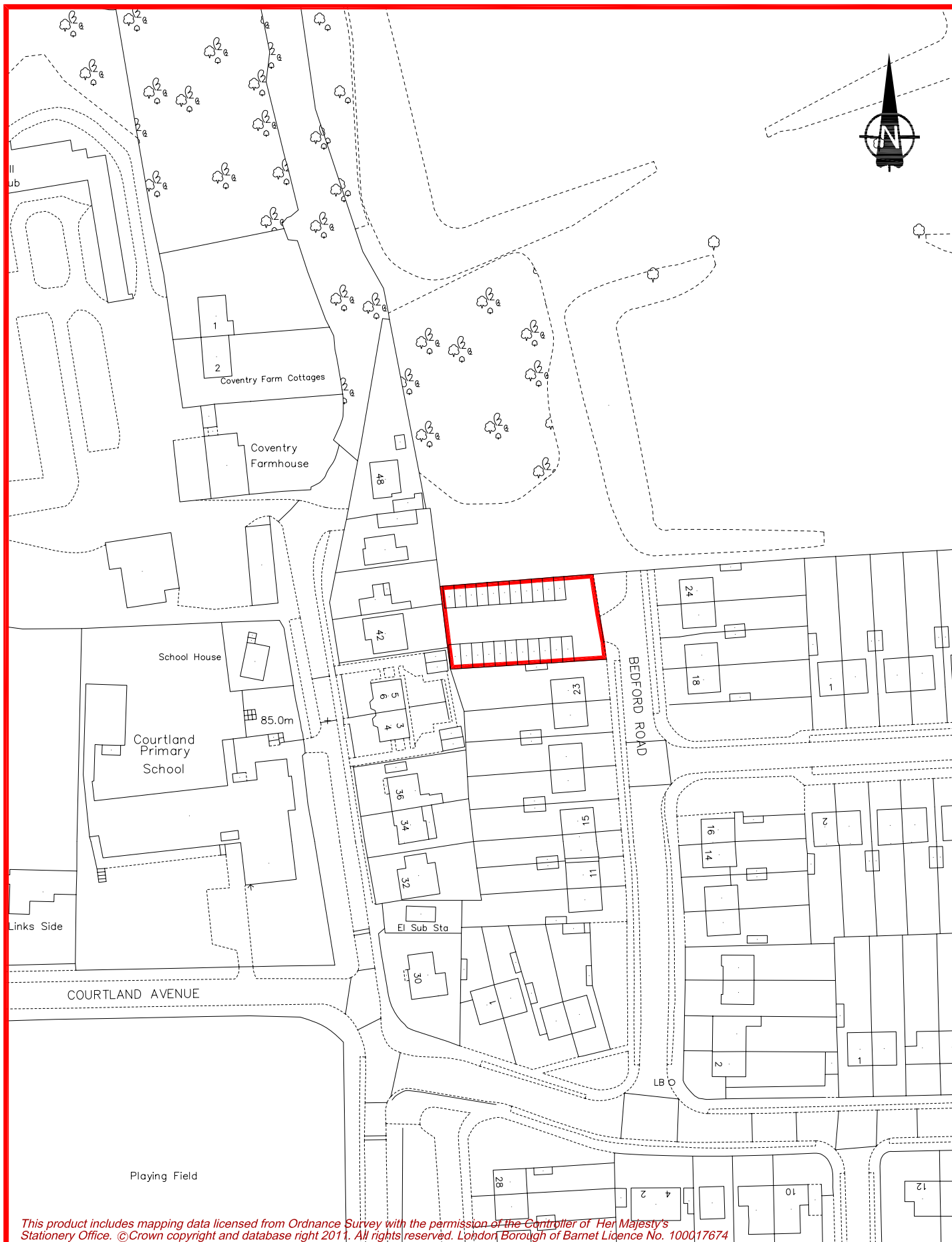
- 9.6 As a result, the sites detailed in this report are considered surplus to requirements and suitable for disposal on the open market.
- 9.7 It is recommended that the sites are marketed on the basis of either individual bids, or a bid for the sites as a package, in order to capture a wider market. Analysis of the bids will determine the best option for the council which will be reported to the Cabinet Member for Resources under delegated Powers.

## **10. LIST OF BACKGROUND PAPERS**

None

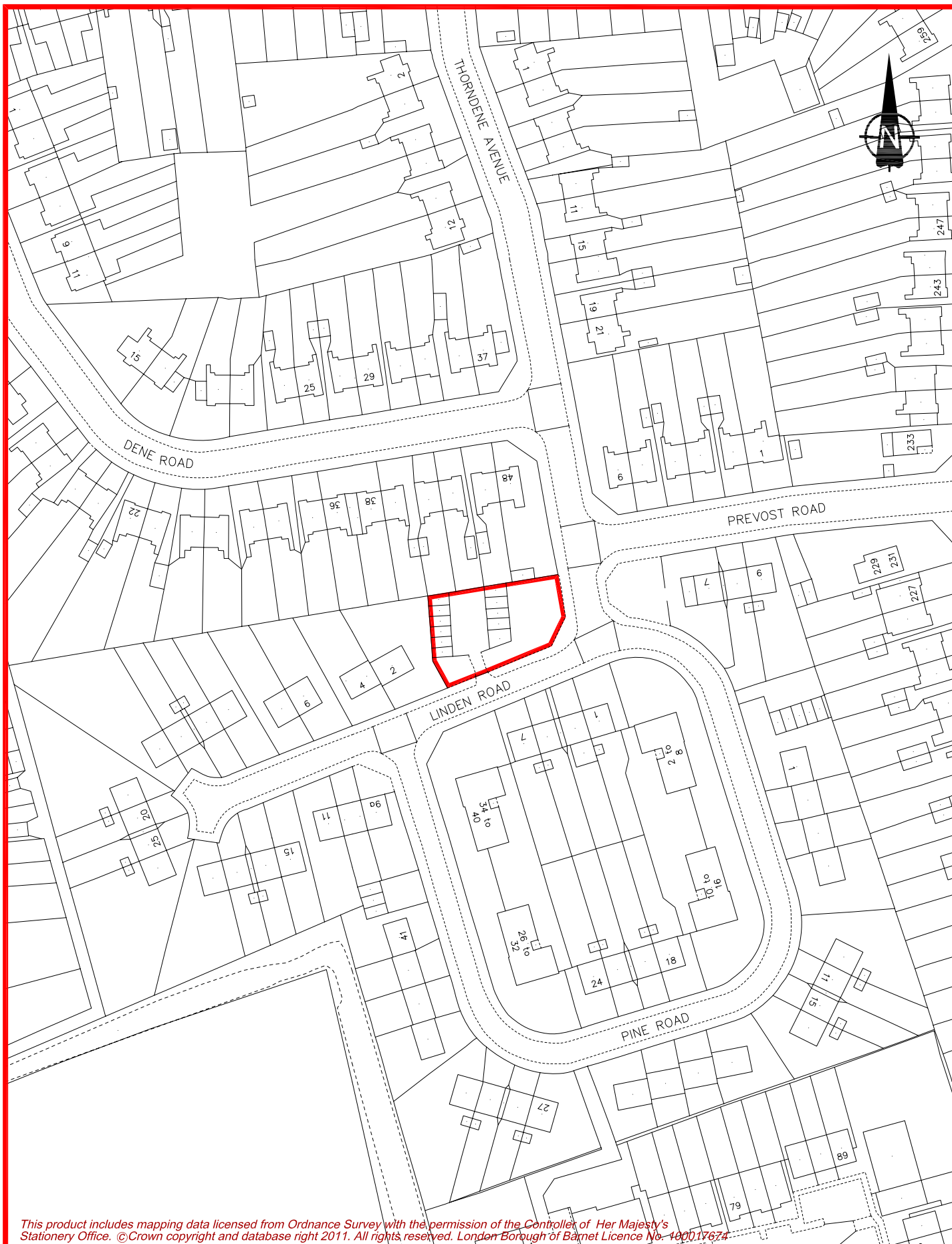
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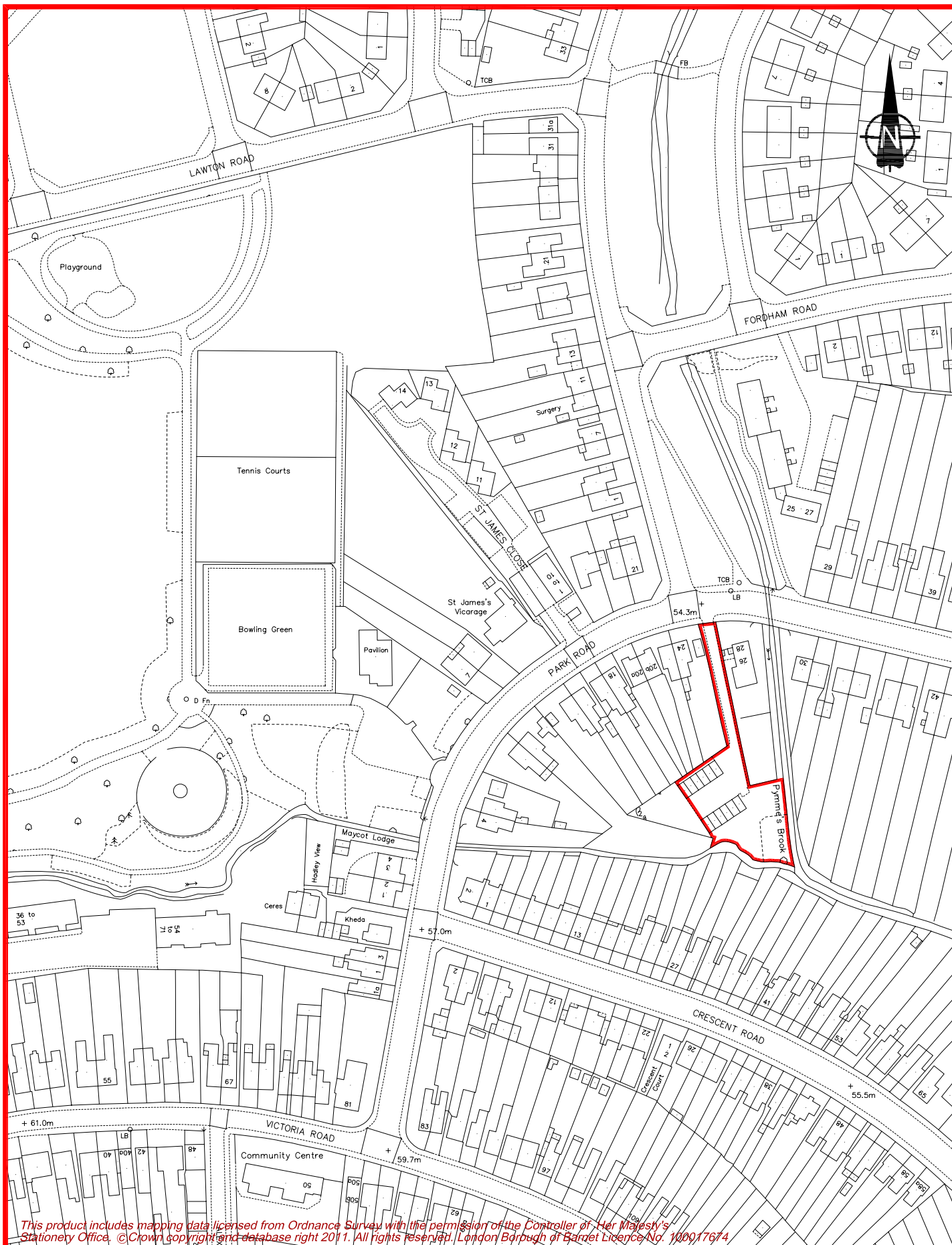
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Initiated by S.S.	SCHEME: <b>MOAT PARK GARAGES BEDFORD ROAD, MILL HILL, NW7</b>	Craig Cooper, Commercial Director.	<b>BARNET</b> LONDON BOROUGH PROPERTY SERVICES
Drawn by K.E.B.			
Checked by S.S.	TITLE: <b>SITE PLAN</b>	London Borough of Barnet, North London Business Park, Oakleigh Road South, New Southgate, London, N11 1NP. Tel. 020 8359 2000	DRAWING No.
Date 27/07/11			24340



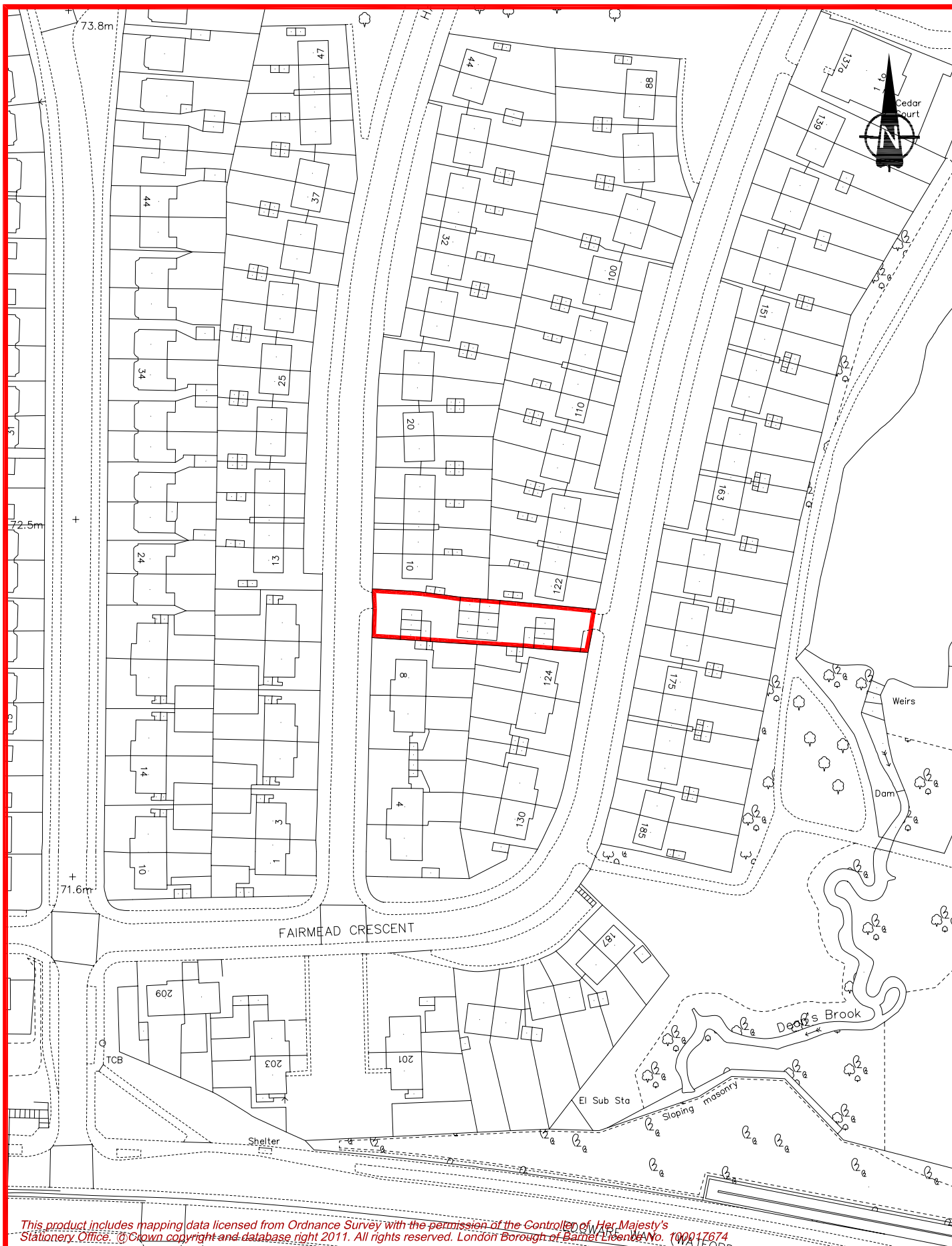
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Initiated by S.S.	SCHEME: GARAGES AT LINDEN ROAD BRUNSWICK PARK, N11	Craig Cooper, Commercial Director.	<div>BARNET</div> <div>LONDON BOROUGH</div> <div>PROPERTY SERVICES</div>	
Drawn by K.E.B.			TITLE: SITE PLAN	London Borough of Barnet, North London Business Park, Oakleigh Road South, New Southgate, London, N11 1NP. Tel. 020 8359 2000
Checked by S.S.	24338			
Date 27/07/11		Scales 1:1250		



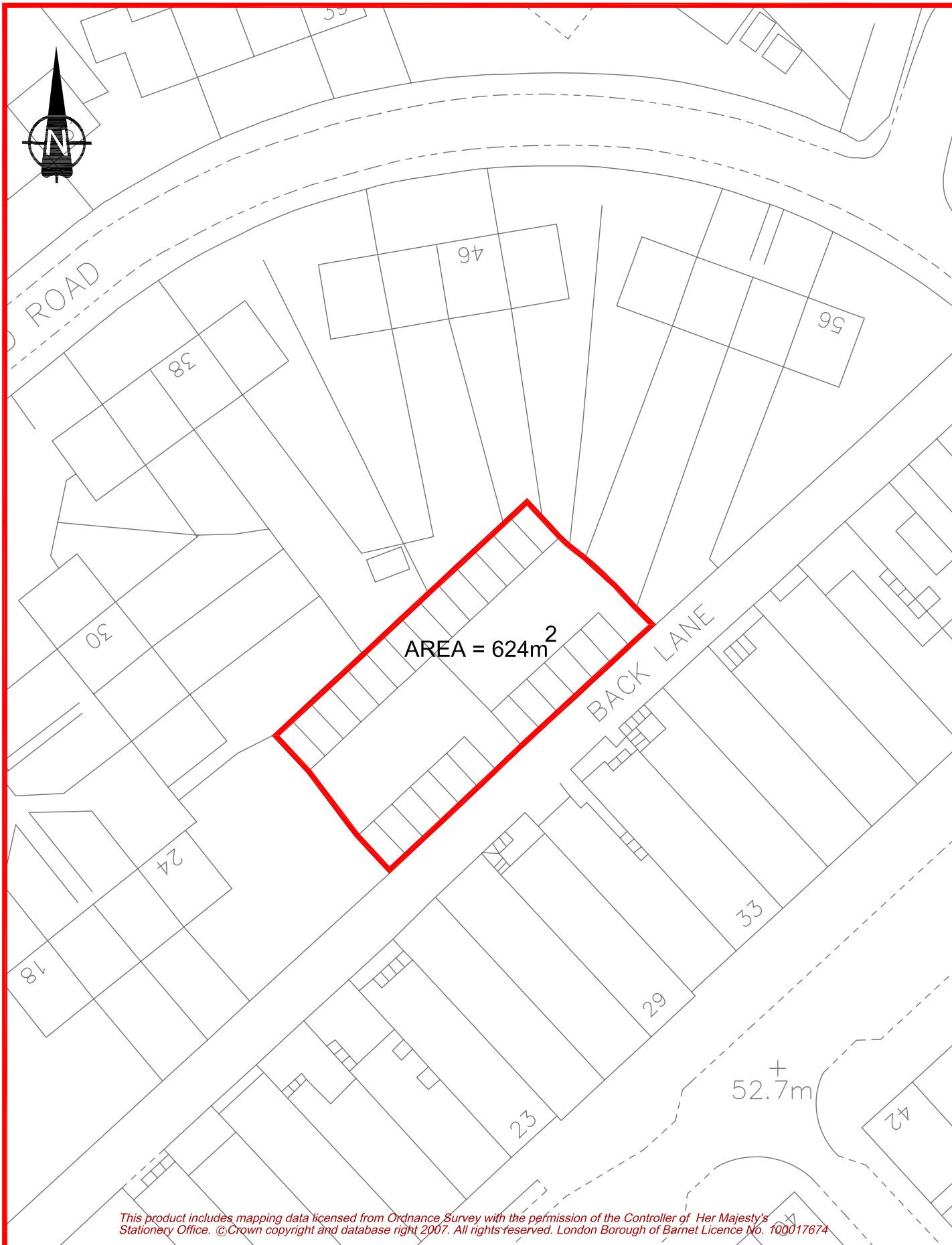
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Initiated by S.S.	SCHEME: <b>GARAGES AT PARK ROAD, NEW BARNET</b>	Craig Cooper, Commercial Director.	
Drawn by K.E.B.			
Checked by S.S.	TITLE: <b>SITE PLAN</b>	London Borough of Barnet, North London Business Park, Oakleigh Road South, New Southgate, London, N11 1NP. Tel. 020 8359 2000	DRAWING No.  <b>24342</b>
Date 27/07/11			
	Scales 1:1250		



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Initiated by S.S.	SCHEME: <b>GARAGES AT FAIRMEAD CRESCENT, EDGWARE</b>	Craig Cooper, Commercial Director.	
Drawn by K.E.B.			
Checked by S.S.	TITLE: <b>SITE PLAN</b>	London Borough of Barnet, North London Business Park, Oakleigh Road South, New Southgate, London, N11 1NP. Tel. 020 8359 2000	DRAWING No.
Date 25/07/11			
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Initiated by IC	SCHEME: GARAGES, BACK LANE BURNT OAK HA8	Nick Walkley, Executive Director for Resources	
Drawn by AJP			
Checked by NV	TITLE: LOCATION PLAN	London Borough of Barnet, North London Business Park, Oakleigh Road South, New Southgate, London, N11 1NP. Tel. 020 8359 2000	DRAWING No.
Date 03.01.08			23854
Scales 1:500			Acadjob Ref. property/23854.dwg



Bethune Park

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Initiated by S.S.	SCHEME:  GARAGES AT BALFOUR GROVE, N20	Craig Cooper, Commercial Director.		
Drawn by K.E.B.				
Checked by S.S.	TITLE:  SITE PLAN	London Borough of Barnet, North London Business Park, Oakleigh Road South, New Southgate, London, N11 1NP. Tel. 020 8359 2000	DRAWING No.	
Date 29/06/11			Scales 1:1250	24320