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Land and Asset Management Committee

15 June 2017

Disposal of Freehold Interest - 57 Edgbaston Road, Smethwick

1. Summary Statement

- 1.1 The purpose of the report is to seek authority to declare 57 Edgbaston Road, Smethwick surplus to Council requirements and to authorise disposal of the freehold interest therein on the open market.
- 1.2 57 Edgbaston Road is large detached Victorian property formerly leased to Sandwell Homes and Resettlement Project (SHARP) who provided, on behalf of the Council, a range of support and help to homeless people in the borough.
- 1.3 SHARP adapted the property to provide 9 flats which were subsequently used as short term lets for homeless people. SHARP managed the premises and provided intensive support to the tenants subsequently helping them to move on to more independent arrangements.
- 1.4 SHARP later vacated the premises in order to operate the services provided from Churchvale, Lowry Close, Smethwick, another Council property.
- 1.5 Since vacation of 57 Edgbaston Road, the Director – Neighbourhoods has undertaken a feasibility study to ascertain whether or not the property can be brought back into beneficial use. He considers, however, that the cost of refurbishment is prohibitive to allow for letting of the property under the usual housing residential tenancy.
- 1.6 In these circumstances, it is recommended that the property is declared surplus to Council requirements and offered for disposal on the open market.

2. **Recommendation**

That Cabinet be recommended to:-

- 2.1 declare 57 Edgbaston Road, Smethwick, surplus to Council requirements;
- 2.2 subject to the 2.1 above, authorise the Director – Monitoring Officer to dispose of the freehold interest in the property shown for identification purposes only edged and hatched black on Plan No SAM/16120/001 attached on the open market and on terms and conditions to be agreed by the Director - Regeneration and Planning;
- 2.3 subject to 2.1 above, authorise the Director – Monitoring Office to enter into or execute under seal, if necessary, any other related documentation in connection with the disposal of the land referred to in recommendation 2.2 above, on terms and conditions to be agreed by the Director – Regeneration and Planning.

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Director – Regeneration and Planning

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3. **Strategic Resource Implications**

- 3.1 The Director – Regeneration & Planning is of the opinion that if the property was offered on the open market in its existing condition for residential purposes a capital receipt in the region of £XXXXXX may be achieved. This estimate is, however, provided without reference to any potential defects and/or structural issues.
- 3.2 This report is in line with Council's asset management strategy to make greater use of underutilised assets and to generate a more efficient and effective asset portfolio by disposing of underutilised and or uneconomic assets, wherever possible.

4. **Legal and Statutory Implications**

- 4 The Council is entitled to dispose of property, but must comply with the duty contained in Section 123 of the Local Government Act, 1972 which requires the disposal to be for the best consideration reasonably obtainable. This duty will be satisfied by a valuation agreed by the Director – Regeneration and Planning.

5. **Implications for the Council's Scorecard Priorities**

5.1 Place – disposal of the property will enable it to be brought back into beneficial use.

6 **Background Details**

There is no further background information

Source Documents

File L/5030