

BIRMINGHAM CITY COUNCIL

JOINT CABINET MEMBER AND CHIEF OFFICER

TUESDAY, 30 OCTOBER 2018 AT 00:00 HOURS
IN CABINET MEMBERS OFFICE, COUNCIL HOUSE, VICTORIA
SQUARE, BIRMINGHAM, B1 1BB

A G E N D A

3 - 20

1 DISPOSAL OF SURPLUS PROPERTIES

Report of Assistant Director of Property (Interim)

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to: LEADER OF THE COUNCIL JOINTLY
WITH THE CORPORATE DIRECTOR
ECONOMY
Report of: ASSISTANT DIRECTOR OF PROPERTY (INTERIM)
Date of Decision: October 2018
SUBJECT: DISPOSAL OF SURPLUS PROPERTIES

Key Decision: No
If not in the Forward Plan: Relevant Forward Plan Ref: N/A
(please "X" box) Chief Executive approved ☐
O&S Chair approved ☐
Relevant Cabinet Member(s) or Councillor Ian Ward – Leader of the Council
Relevant Executive Member:
Relevant O&S Chair: Councillor Tahir Ali – Economy and Skills Overview & Scrutiny Committee

Wards affected: Alum Rock, Bartley Green, Erdington, Nechells.

1. Purpose of report:

- 1.1 The continued review of the Council's land and property portfolio has identified the individual property interests listed in Appendix 1 of this report as being surplus to Council requirements.
- 1.2 It is proposed that these property interests form part of an agreed programme of land and property sales to be implemented during financial years 2018-19.

2. Decision(s) recommended:

The Leader and Corporate Director Economy are recommended to:

- 2.1 Approve the sales programme detailed in Appendix 1 of this report, authorising the sale of the surplus property interests listed.
- 2.2 Note that in accordance with existing surplus property procedures no internal re-use of the properties listed in Appendix 1 has been identified.
- 2.3 Authorise the City Solicitor where necessary, to advertise the permanent loss of public open Space and consider any objections in accordance with Section 123(2a) of the Local Government Act 1972.
- 2.4 Authorise the City Solicitor to negotiate, execute and complete all necessary legal documents to give effect to the above recommendations.

Lead Contact Officer: Rob King – Business Centre Manager
Birmingham Property Services

Telephone No: 0121 303 3928

E-mail address: robert.king@birmingham.gov.uk

3. Consultation

3.1 Internal

3.1.1 The Leader of the Council has been consulted regarding the contents of this report, and is fully supportive of the report proceeding to an executive decision.

3.1.2 The report has been considered and cleared by the Property and Assets Board.

3.1.3. Officers from Legal Services, City Finance, and other relevant officers from the Economy, People and Place Directorates have been involved in the preparation of this report and support its proposals.

3.1.4 The relevant Ward Members for each property have been consulted, and no adverse comments have been received to the reports content. The detail of this consultation is set out in Appendix 3 of this report.

3.2 External

3.2.1 No external consultation has taken place regarding the content of this report.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

4.1.1 The proposal contributes towards the strategic outcomes outlined in the 'Council Plan and Budget 2018+', specifically to help deliver a balanced budget and contribute to the Council's plan to rationalise its property portfolio as part of its asset management programme.

4.2 Financial Implications (How will decisions be carried out within existing finances and Resources?)

4.2.1 The disposal of surplus assets will generate capital receipts for the Council to help support the Council Plan and Budget 2018+, and contribute to key business priorities.

4.2.2 As some of the properties to be sold are within the HRA, then in those cases the appropriate adjustment will be made to the capital financing charge to the HRA.

4.2.2 The total asset value of the properties listed in Appendix 1 is no greater than £1.0m.

4.3 Legal Implications

4.3.1 The power to acquire, dispose and manage assets in land and property is contained in Section 120 and 123 of the Local Government Act 1972, and Section 32 of the Housing Act 1985 in respect of HRA controlled assets.

4.4 Public Sector Equality Duty

4.4.1 An initial Equality Assessment Ref No. EQUA71 dated 7th August 2018, is attached as Appendix 4. The assessment confirms there is no adverse impact on the protected groups identified in Public Sector Equality Duty statement included in this report under the Equality Act 2010, and that a full Equality Assessment is not required for the purpose

of this report.

5. Relevant background/chronology of key events:

- 5.1 The on-going review of the Council's various land and property portfolios has identified those individual property interests listed in Appendix 1, as being surplus to Council requirements. It is proposed that these interests will form part of an agreed programme of property sales to be implemented during 2018-19.
- 5.2 The sites listed in Appendix 1 are deemed non-strategic assets that currently create management pressures (and costs) without contributing to the Council's priorities. Accordingly, their release for potential sale will not only reduce the Council's liabilities and generate capital receipts, but also provide opportunities for infill development, which given the nature of the assets listed will be primarily residential.
- 5.3 All the sites are surplus to Council requirements, and have been fully considered in accordance with current surplus property procedures with no alternative internal use identified.
- 5.4 In addition to this schedule of property it is anticipated that the ongoing review will identify further surplus property interests to supplement the programme going forward. All such opportunities will be the subject of further reports.
- 5.5 The sales methodology to deliver the programme will fully recognise market sentiment and individual circumstance. Accordingly, the interests will be sold via public auction. The proposed delivery strategy and mode of sale adopted is tailored to maximise both the prospect of a sale completion, receipt realisation and demonstrate best consideration.
- 5.6 The rationale for choosing auction sale ahead of alternative modes of sale available is primarily to ensure that there is certainty of delivering receipt realisation by specified dates ie 28 days post auction date, and ensuring interim management costs ahead of sale completion are kept to a minimum.

6. Evaluation of alternative option(s):

- 6.1 The sites have accordingly been considered in accordance with current surplus property procedures with no alternative internal use identified.
- 6.2 As these sites are not considered to be of strategic importance there is no merit in retaining the sites, and their sale will remove an ongoing management liability to the Council.
- 6.3 Options have been considered for the disposal methodology for these assets and the chosen routes are considered to be the best in order to maximise both the prospect of a sale completion, receipt realisation and demonstrate best consideration.
- 6.4 The preferred option, as recommended, is to deliver a focussed disposal programme of land and property sales.

7. Reasons for Decision(s):

- 7.1 To agree a programme of land and property sales to be implemented during financial years 2018-19.

Signatures**Dates**

Cllr Ian Ward – Leader of the Council

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.....

Waheed Nazir – Corporate Director Economy

.....

.....

List of Background Documents used to compile this Report:

Relevant Officers file(s) save for confidential documents

List of Appendices accompanying this Report (if any):

1. Appendix 1 – Sales Programme
2. Appendix 2 – Site Plans
3. Appendix 3 – Ward Member Consultation Record
4. Appendix 4 - Equality Assessment

Report Version**Dated**

PROTOCOL PUBLIC SECTOR EQUALITY DUTY

- 1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.
- 2 If there is no adverse impact then that fact should be stated within the Report section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in section 4.4 of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.
- 3 A full assessment should be prepared where necessary and consultation should then take place.
- 4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.
- 5 Responses to the consultation should be analysed in order to identify:
 - (a) whether there is adverse impact upon persons within the protected categories
 - (b) what is the nature of this adverse impact
 - (c) whether the adverse impact can be avoided and at what cost – and if not –
 - (d) what mitigating actions can be taken and at what cost
- 6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.
- 7 Where there is adverse impact the final Report should contain:
 - a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
 - the full equality impact assessment (as an appendix)
 - the equality duty (as an appendix).

Equality Act 2010

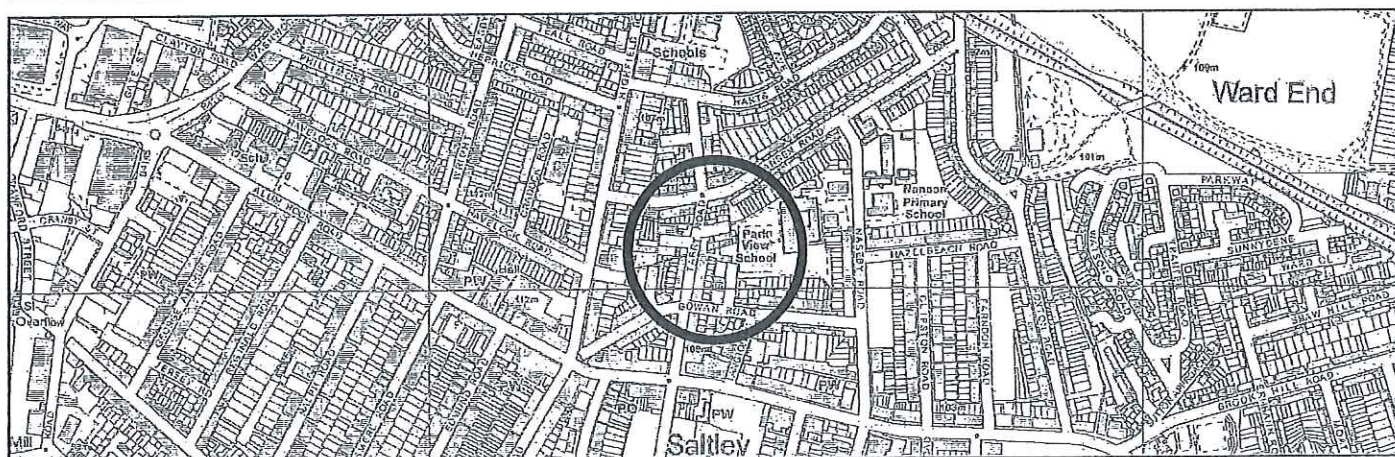
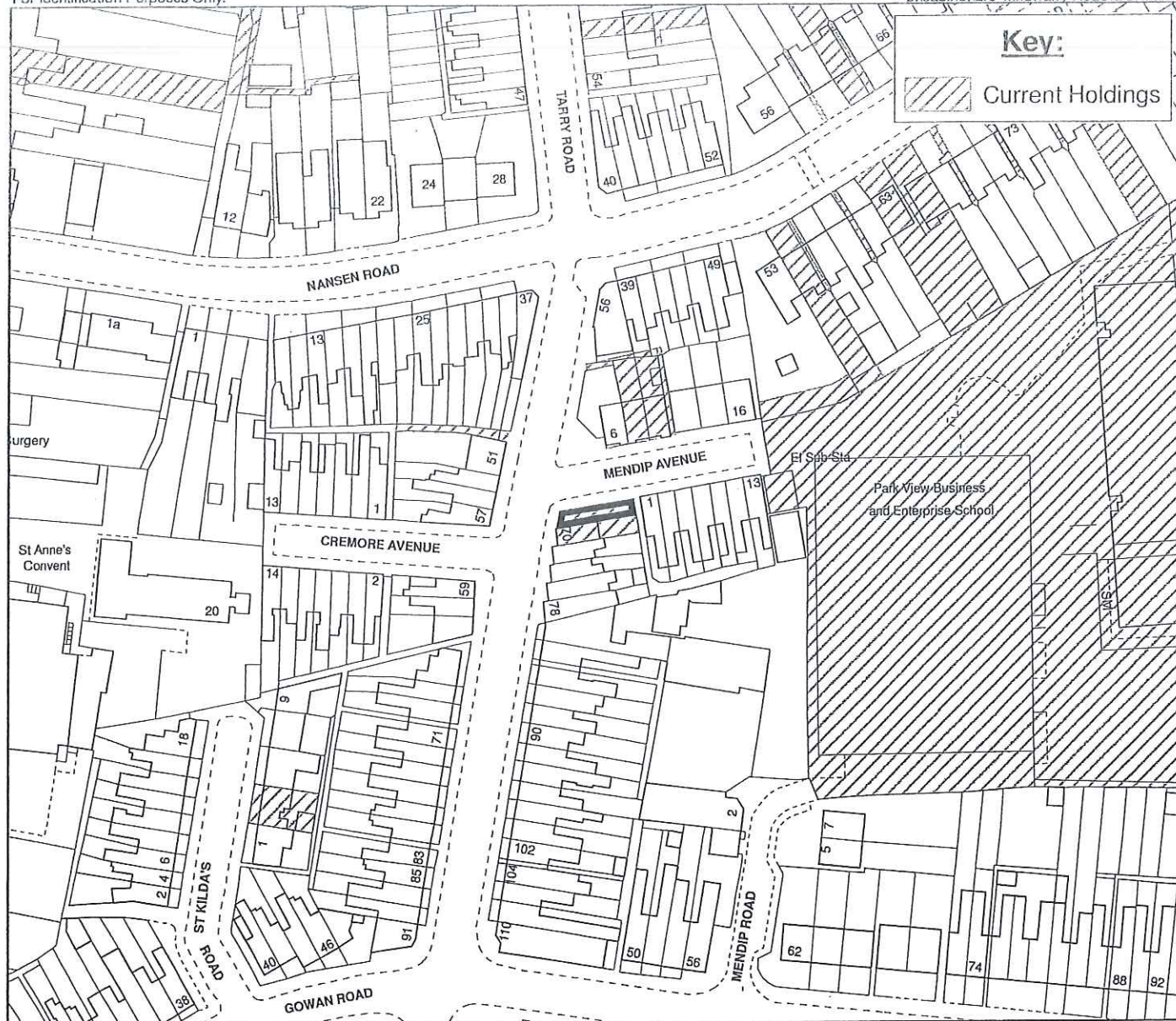
The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

- 1 The Council must, in the exercise of its functions, have due regard to the need to:
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 2 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
 - (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 3 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- 4 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - (a) tackle prejudice, and
 - (b) promote understanding.
- 5 The relevant protected characteristics are:
 - (a) marriage & civil partnership
 - (b) age
 - (c) disability
 - (d) gender reassignment
 - (e) pregnancy and maternity
 - (f) race
 - (g) religion or belief
 - (h) sex
 - (i) sexual orientation

Property Disposals Programme 2018-19 Appendix 1 (October 2018)

Plan No.	Address	Description	Property Interest to be sold	Mode of Disposal	Ward
1.	Land Adjacent 70 Tarry Road Ward End PAL 08786	Vacant HRA land Site area 58 sqm.	Freehold	Public auction 2018 -19	Alum Rock
2.	Land Adjacent 1 Foredraft Close Bartley Green PAL 07224	Vacant HRA land Site area 157 sqm approx	Freehold	Public auction 2018 -19	Bartley Green
3.	Land Adjacent 11 Stones Green Erdington Part PAL 03306	Vacant HRA land Site area 549 sqm	Long leasehold with a covenant limiting permitted development to bungalows only.	Public auction 2018 -19	Erdington
4.	Former Community Centre, Melvina Road, Nechells PAL 01232	Vacant former community centre Site area 5050 sqm approx	Freehold	Public auction 2018 -19	Nechells



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Corporate Director, Economy
1 Lancaster Circus
PO Box 14439
Birmingham, B2 2JE

Land Adjacent To
70 Tarry Road
Ward End



Scale (Main Map)

1:1,250

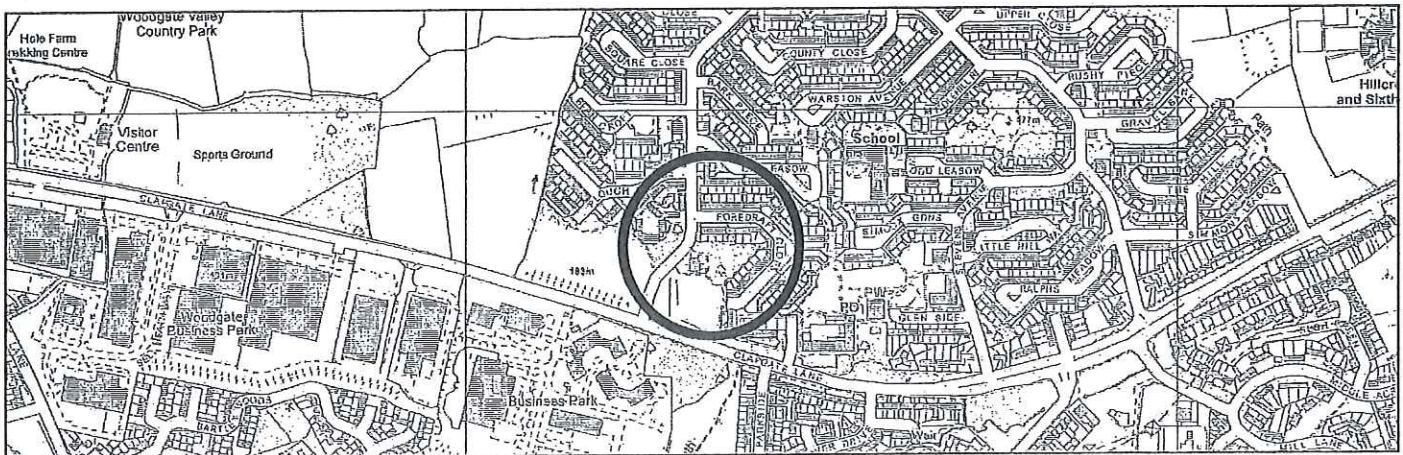
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Date

18/10/2018

O.S.Ref. SP1088SW



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Birmingham
City Council

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B2 2GL

Land adjacent to
1 Foredraft Close
Bartley Green



Scale (Main Map)

1:1,250

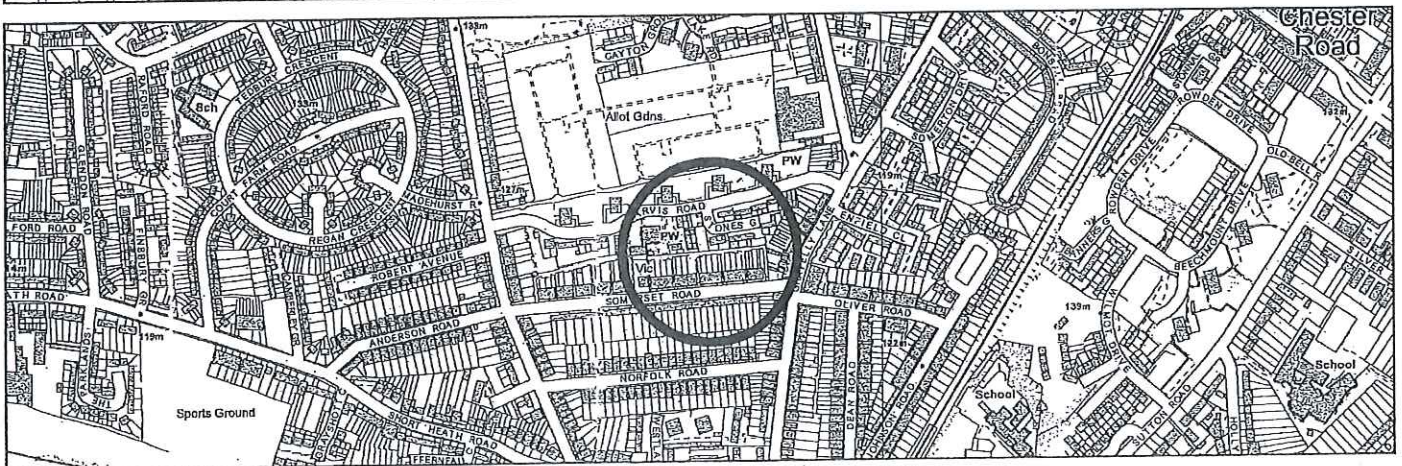
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Date

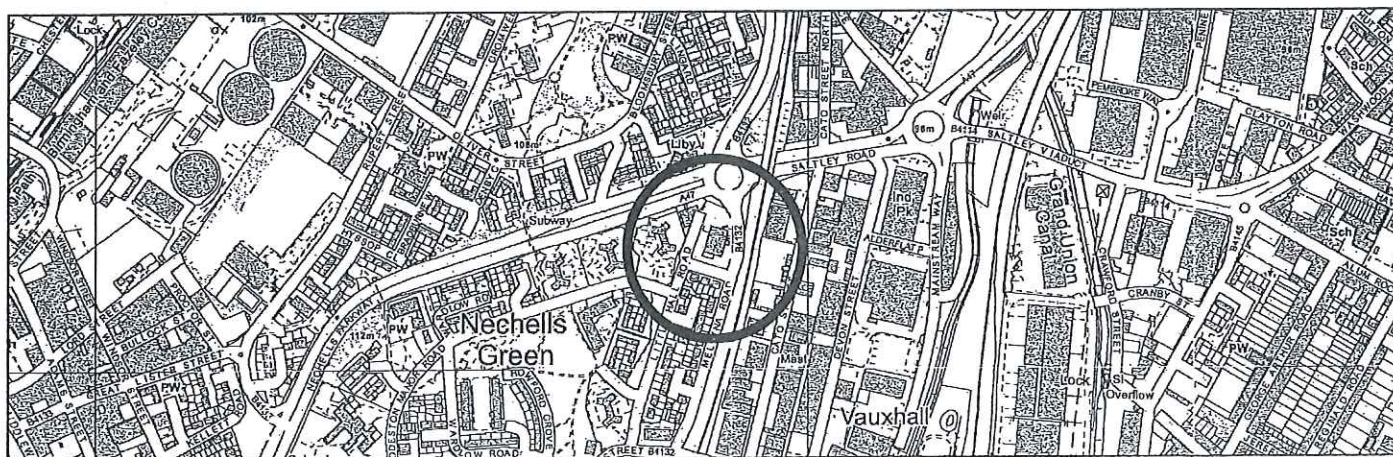
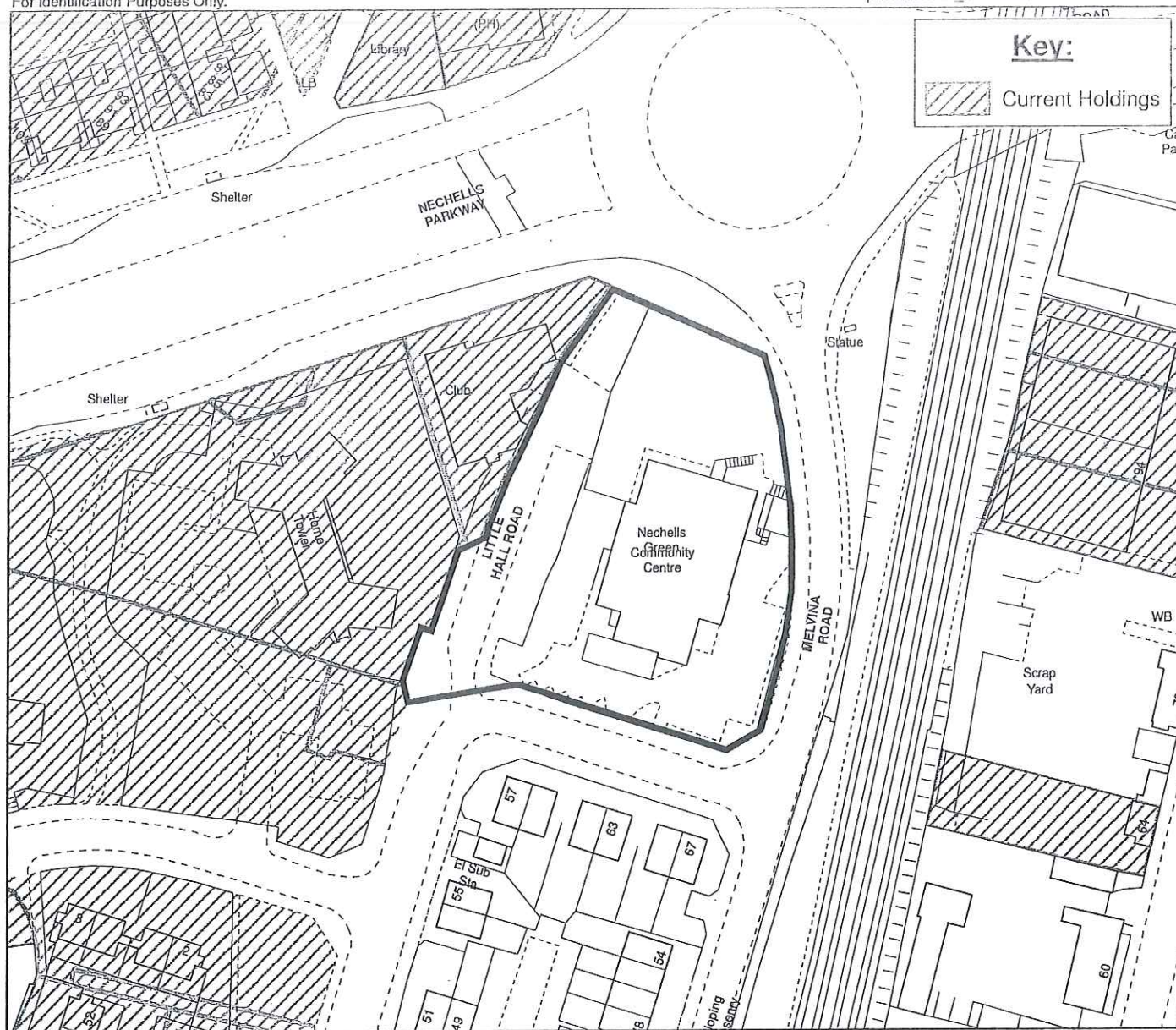
18/10/2018

O.S.Ref SP0082NW



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 Birmingham City Council	Waheed Nazir Corporate Director, Economy 1 Lancaster Circus PO Box 14439 Birmingham B2 2JE		
Land Adjacent To 11 Stones Green Erdington	 Scale (Main Map) 1:1,250 O.S. Ref. SP1092NE	Drawn MI	Date 19/10/2018



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Former Community Centre
Melvina Road
Nechells



Scale (Main Map)

Drawn

Date

1:1,250

MI

19/10/2018

O.S. Ref. SP0888SE

Ward Member Consultation (October 2018)

PROPERTY ADDRESS	WARD	CONSULTATION	COUNCILLOR RESPONSE	RESPONSE
Land Adjacent 70 Tarry Road Ward End	Alum Rock	Email dated 10/10/2018 requesting comments by 17/10/18	Cllr Mohammed Idrees – No response received Cllr Mariam Khan – No response received	
Land Adjacent 1 Foredraft Close Bartley Green	Bartley Green	Email dated 10/10/2018 requesting comments by 17/10/18	Cllr Bruce Lines – Email response dated 16/10/18 - I write regarding the land (grass verge) listed in Bartley Green. My first thought on this matter is whether it was a joke ! Is the City that desperate it is disposing of small grass verges on street corners ? I may also be possible the legal costs associated with the sale would probably amount to the value of the land. Also consideration needs to be given to the residents and their properties adjacent to the land and the possible future use of it. Cllr John Lines – No response received	Email response dated 17/10/18 - I would confirm that the land is being released as surplus for potential sale following a review by Housing and Regeneration colleagues. A sale of the site by auction would be in accordance with similar recent sales of incidental land holdings undertaken by the Council to mitigate ongoing maintenance liabilities. In terms of sale costs involved, I can affirm that these would be collected from the purchaser. With regard to future use, the land is considered to represent, subject to obtaining the necessary planning consent, a marginal development opportunity for a single house plot, either in isolation or as an extension of the existing terrace.
Land adjacent 11 Stones Green Erdington	Erdington	Email dated 10/10/2018 requesting comments by 17/10/18	Cllr Robert Alden / Cllr Gareth Moore – Joint email response dated 10/10/17 – “We have concerns as to how this site could be developed, and whilst it is true that can be picked up through the planning stage, we feel it would be beneficial if a restrictive covenant was put in place as part of the sale. The surrounding properties are bungalows and we believe that if this land is to be	Email response dated 10/10/17 - Your comments were passed to me by Housing Officers as part of their instruction. If this requirement is still needed then we can include a covenant and strengthen it's enforceability by selling the site on a long leasehold rather than freehold basis.

Ward Member Consultation (October 2018)

			sold, then it should only be developed for bungalows to be in keeping with the neighbouring properties". -	
Former Community Centre Melvina Road Nechells	Nechells	Email dated 10/10/2018 requesting comments by 17/10/18	Cllr Tahir Ali – No response received	

Title of proposed EIA	Disposal of Surplus Properties
Reference No	EQUA147
EA is in support of	New Function
Review Frequency	Six Months
Date of first review	10/04/2019
Directorate	Economy
Division	Birmingham Property Services
Service Area	Property Valuation & Sales
Responsible Officer(s)	<input type="checkbox"/> Felicia Saunders
Quality Control Officer(s)	<input type="checkbox"/> Eden Ottley
Accountable Officer(s)	<input type="checkbox"/> Eden Ottley
Initial equality impact assessment of your proposal	<p>The continued review of the Council's land and property portfolio as identified Alum Rock, Bartley Green, Erdington and Nechells wards as being surplus to Council requirements.</p> <p>It is proposed that these property interests form part of an agreed programme of land and property sales to be implemented during financial years 2018-19.</p> <p>The disposal of surplus properties in Alum Rock, Bartley Green, Erdington and Nechells wards will provide opportunities for individuals and groups to regenerate the area. The disposals will be through auction and on an open market disposal basis, with the opportunity to purchase made available through market press releases.</p> <p>No direct external consultation is necessary for the disposal of these sites and members of the community have not been disadvantaged or denied access.</p>
Protected characteristic: Age	Not Applicable
Age details:	
Protected characteristic: Disability	Not Applicable
Disability details:	
Protected characteristic: Gender	Not Applicable
Gender details:	
Protected characteristics: Gender Reassignment	Not Applicable
Gender reassignment details:	
Protected characteristics: Marriage and Civil Partnership	Not Applicable
Marriage and civil partnership details:	
Protected characteristics: Pregnancy and Maternity	Not Applicable

Pregnancy and maternity details:

Protected characteristics: Race Not Applicable

Race details:

Protected characteristics: Religion or Beliefs Not Applicable

Religion or beliefs details:

Protected characteristics: Sexual Orientation Not Applicable

Sexual orientation details:

Consulted People or Groups The Leader of the Council, Officers from Legal Services, City Finance and other relevant officers from the Economy, People and Place Directorates and relevant Ward Members

Informed People or Groups

Summary and evidence of findings from your EIA The Leader of the Council has been consulted regarding the contents of this report, and is fully supportive of the report proceeding to an executive decision.

The report has been considered and cleared by the Property and Assets Board.

Officers from the Economy, People and Place Directorates have been involved in the preparation of this report and support its proposals.

The relevant Ward Members for each property have been consulted and no adverse comments have been received to the report's content.

The disposals will be through auction and on open market basis so all members of the community will have an opportunity to purchase the assets available.

There has been ongoing consultation with members of their respective constituency, who have as representation been consulted on issues of relevance.

There have been no issues raised which impact the wider community negatively, therefore a Full Equality Assessment is not required at this stage.

Submit to the Quality Control Officer for reviewing? Yes

Quality Control Officer comments

Decision by Quality Control Officer Proceed for final approval

Submit draft to Accountable Officer? Yes

Decision by Accountable Officer Approve

Date approved / rejected by the Accountable Officer 17/10/2018

Reasons for approval or rejection

Please print and save a PDF copy for your records Yes

Content Type: Item

Version: 12.0

Created at 10/10/2018 03:41 PM by ☐ Felicia Saunders

Last modified at 17/10/2018 11:45 AM by Workflow on behalf of ☐ Eden Ottley

Close

