

Report to Cabinet

21st July 2016

By the Cabinet Member for Finance and Assets

DECISION REQUIRED



**Horsham
District
Council**

Not Exempt

Proposed Sale of Warnham Mill Cottages, Warnham Road, Horsham

Executive Summary

The Council owns two residential properties at Warnham Nature Reserve which are surplus to operational requirements and can therefore be sold. The council has instructed agents to market the premises and there is strong interest from potential buyers.

The purpose of this report is to ratify the proposal to sell the properties and to seek cabinet approval to the recommendation that the Director of Planning, Economic Development & Property be granted delegated authority to approve the final sale figure following the marketing exercise.

Recommendations

That the Cabinet is recommended:

- i) To agree the proposal to sell the properties
- ii) Grant delegated authority to the Director of Planning, Economic Development & Property to approve the final sale details

Reasons for Recommendations

It is proposed to seek delegated authority to the final price in order to achieve commercial expediency.

Background Papers

Plan identifying the property

Wards affected: Holbrook West

Contact: Brian Elliott, Property and Facilities Manager: x51113

Background Information

1 Introduction and Background

- 1.1 Warnham Mill Cottages were acquired from the Lucas Family as part of the wider purchase of Warnham Mill Pond.
- 1.2 The properties were used by the housing team as temporary accommodation, but are not ideal for that purpose as they are remote from the town centre.
- 1.3 The proposal is to sell the properties to release capital that can be utilised elsewhere.

2 Relevant Council policy

- 2.1 The proposal supports the Council's policy to maximise the efficient use of Council resources.

3 Details

- 3.1 The properties comprise a connected pair of two bedroom houses which were built in the early 1900s.
- 3.2 Advice has been obtained from three firms of estate agents who were broadly consistent in their views on value.
- 3.3 Subject to cabinet approval, the properties are being offered for sale at an aggregate figure of c£700,000. This figure reflects the advice received from the estate agents. The internal condition of the two properties is different and this will likely be recognised in the final agreed sale prices.
- 3.4 During the decision making process officers considered whether a sale may impact on any future redevelopment or extension of the visitors centre. This is not considered a material concern, because the visitors centre could be extended towards Warnham Road if further accommodation was required.
- 3.5 Additionally, consideration has been given to whether the use as private residences would impact on the biodiversity of the nature reserve or the visitor experience. To address this point a clause will be inserted in the freehold title which says: 'The buyer shall not cause or permit any nuisance or disturbance to the owner of the adjoining land at Warnham Nature Reserve, and in particular shall not keep any animal or domestic pet which causes any nuisance or disturbance to the owner of the adjoining land at Warnham Nature Reserve'.

4 Next Steps

- 4.1 To agree terms with potential purchasers of the properties.

5 Views of the Policy Development Advisory Group and Outcome of Consultations

- 5.1 The Finance and Assets Policy Advisory Group considered this report on the 4th July 2016 and supported the proposal set out in this report.

6 Other Courses of Action Considered but Rejected

- 6.1 To rent the properties on assured shorthold tenancies but this would provide a return of less than 4%

7 Resource Consequences

- 7.1 The effect of the transaction will be to release capital.

8 Legal Consequences

- 8.1 There are no legal implications to this report other than usual property related matters.

9 Risk Assessment

- 9.1 It is not considered that there are any risks arising from this proposal.

10 Other Considerations

- 10.1 This proposal does not impact on Crime & Disorder; Human Rights; Equality & Diversity and Sustainability matters.