

York House – Freehold disposal

Committee considering report:	Executive
Date of Committee:	3 November 2022
Portfolio Member:	Councillor Ross Mackinnon
Date Portfolio Member agreed report:	16 September 2022
Report Author:	Richard Turner
Forward Plan Ref:	EX4279

1 Purpose of the Report

- 1.1 To discuss and make recommendation for the freehold disposal of York House.

2 Recommendation

- 2.1 That the Executive resolves to delegate to the Executive Director Resources and the Executive Portfolio Holder for Finance and Economic Development, the disposal of the freehold of York House on the open market (either through a marketing agent or auction)

3 Implications and Impact Assessment

Implication	Commentary
Financial:	Disposal of the freehold will realise a capital receipt for WBC.
Human Resource:	There are no anticipated Human Resources implications.
Legal:	WBC Legal Services Team will require to be instructed to act for WBC in the legal sale and transfer of the site.
Risk Management:	There is opportunity to both remove the revenue costs and the risks associated with the ownership of the asset, particularly in its current vacant condition.
Property:	Property Services will lead on the disposal and make appointments necessary to conclude the sale.

Policy:	<p>Over an extended period of time the Asset Management Group has offered opportunity to the operational services to present a viable operational purpose for York House to support those services and the policies they support. A number of options have been explored but none has been successful.</p> <p>There is now opportunity to realise a capital receipt which can benefit the council's capital programme and its funding.</p>			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?	N	Y	N	
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?	N	Y	N	
Environmental Impact:	N	Y	N	
Health Impact:	N	Y	N	
ICT Impact:	N	Y	N	
Digital Services Impact:				
Council Strategy Priorities:	N	Y	N	

Core Business:	N	Y	N	
Data Impact:	N	Y	N	
Consultation and Engagement:	Through engaging with WBC operational services to seek expressions of interest in pursuing an operational use of York House.			

4 Executive Summary

4.1 York House, located at 50 Andover Road, Newbury RG14 6JW is on a site of approximately 0.33 acres, constructed in the 1920's as a residential property and offers circa 3,300 sq. ft. of accommodation.

During its history as well as use as a private home the property has also been used as residential care home and more recently a community based clinic for Children's Services and supporting staff.

4.2 Following transfer of West Berkshire Council, Children & Family Services staff from York House to West Point House in May 2018, there have been a number of different expressions of interest in the building for operational purposes, none of which has proved viable.

4.3 Most recent interest has been explored by the WBC Housing Team for the purposes of the development for affordable housing, which resulted in no interest being expressed through local Registered Providers.

4.4 On an interim basis the Housing Team has been using the building for operational purposes as a 'touchpoint' for the Rough Sleeping Team. This has operated between January of 2020 and September 2022, with the building now returning to being managed as a vacant asset.

4.5 At its meeting of 18th August 2022, Asset Management Group (AMG) agreed that all avenues for an alternative use had been exhausted and recommendation be progressed for the disposal of the freehold of York House.

4.6 With the approval to progress with a disposal, the asset will be placed on the open market through a property agent or through auction

The council has had some recent success in disposal at auction with 1A Bath Road being sold well above anticipated value. Auction may be a good method for York House.

5 Supporting Information

Introduction

5.1 York House has been largely vacant since May 2018, although having temporary operational use between January 2020 and September 2022. All potential operational options have been explored and none has come forward as viable. It is now proposed to progress to a disposal of the asset.

Background

5.2 At its meeting of 12 December 2017 the Asset Management Group (AMG) received a report proposing the transfer of West Berkshire Council (WBC) Children & Family Services staff from York House to West Point House. This was agreed with the transfer of staff was made in May 2018 with York House becoming vacant.

5.3 At its meeting of 10th April 2018 AMG agreed to retain York House and pursue expressions of interest from WBC operational services and that of external interested parties. The following options were explored, none of which has proven viable to progress:

- (a) Adult Social Care Respite Care accommodation;
- (b) Approach made to the WBC and SHA (Sovereign Housing Association) Joint venture. No interest expressed owing to the small nature of the site;
- (c) Interest received in leasing the property by a local GP practice;
- (d) Interest from St Barts school;
- (e) Interest from WBC Housing team to pursue possible emergency accommodation and house in multiple occupation;
- (f) Interest from WBC Housing Team to pursue disposal to a Registered Provider for the purposes of developing for affordable housing;

5.4 In addition to the above, interest has been received from WBC Education Service for the purposes of education for young people with SEN & SEND, specifically young people of secondary age who are emotionally based school avoiders (EBSA) (received at AMG 22 May 2022). This remains a potential option but a Business case and Brief is yet to be drafted.

5.5 In the interim it was agreed the Housing Team use the site operationally as a 'touchpoint' for their services. This has operated since January 2020 and the site is currently being returned to WBC Property Services and managed as a vacant asset.

5.6 At its meeting of 18th August 2022, Asset Management Group (AMG) agreed that all avenues for an alternative use had been exhausted and recommendation be progressed for the disposal of the freehold of York House.

Proposals

- 5.7 The disposal of the freehold of York House on the open market (either through a marketing agent or auction) with an estimated sale value of £700,000.
- 5.8 Disposal through an auction is an attractive option with the sale being almost instant and transfer of funds quick. If disposing by way of auction a suitable reserve price will be applied to the sale on the recommendation of the auctioneer or WBC appointed valuer.

6 Other options considered

- 6.1 Do nothing. The property is currently vacant, has no current operational need and costing WBC revenue funding to maintain the vacant property. Not recommended.
- 6.2 There remains the opportunity to progress the proposal from the WBC Education Service for the purposes of education for young people with SEN & SEND, specifically young people of secondary age who are emotionally based school avoiders (EBSA).

This option is not yet certain and more detailed feasibility work is required to offer certainty to progress. This will prolong the period of vacancy for the site.

- 6.3 Option has already been pursued in 2018 for the purposes of the redevelopment for ASC respite care. This was withdrawn by the service.
- 6.4 Option has already been pursued in 2018 for the potential disposal of the site to the West Berkshire Council and Sovereign Housing Association, Joint venture. Feedback was that the site was too small for viable redevelopment.
- 6.5 Option has already been pursued in 2020/21 for the leasing out of the site to a local GP Practice which has expressed an interest. The GP practice withdrew following a site visit.
- 6.6 Option has already been pursued in 2021/22 following expression of interest from St. Barts School. Following numerous communications St. Barts has not progressed this any further.
- 6.7 During 2018, the WBC Housing Team expressed an interest in development of the site for emergency accommodation for the homeless. This proposal was withdrawn by the service.
- 6.8 Further interest was expressed in 2020 by the WBC Housing Team for the development of the site for affordable housing through a procurement process with local Registered Providers. Following a procurement process there was insufficient interest to progress.
- 6.9 To retain the vacant property pending yet to be identified service need to come forward.

7 Conclusion

- 7.1 Given the exhaustive search for both internal operational, and external potential uses for the site it is felt WBC has now reached a point where the best approach is to proceed with the disposal of the asset.

8 Appendices

8.1 Appendix A – Photographs, location plan and floor plans

Subject to Call-In:

Yes: No:

The item is due to be referred to Council for final approval

Delays in implementation could have serious financial implications for the Council

Delays in implementation could compromise the Council's position

Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months

Item is Urgent Key Decision

Report is to note only

Wards affected: Newbury Wash Common

Officer details:

Name: Richard Turner
Job Title: Property Services Manager
Tel No: 01635 503653
E-mail: Richard.Turner@westberks.gov.uk

Site location, plans and photographs



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