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Date: *2 October 2013*

NOTIFICATION OF PORTFOLIO HOLDER DECISION

On 2 October 2013, Cllr C A Wise, the Finance and Efficiency Portfolio Holder, and Cllr Mrs J Cleary, Housing and Communities Portfolio Holder made the following decision. Any member of the Council, who is not a Portfolio Holder, who considers that this decision should be reviewed should give notice to the Monitoring Officer (Grainne O'Rourke) (in writing or by e-mail) to be received **ON OR BY 5.15 P.M. ON WEDNESDAY, 9 OCTOBER 2013.**

Details of the documents the Portfolio Holder considered are attached.

DECISION: Disposal by Auction of Woodlands Hostel, Pikes Hill, Lyndhurst

REASONS: Set out in report.

ANY ALTERNATIVE OPTIONS CONSIDERED AND REJECTED: None

CONFLICTS OF INTEREST DECLARED: None

For Further Information Please Contact:

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Woodlands Hostel, Pikes Hill, Lyndhurst, SO43 7AY

1. Introduction

This report seeks approval from the Portfolio Holder for Finance & Efficiency; Housing & Communities to sell the freehold interest in the above mentioned property with vacant possession.

2. Background

Woodlands Hostel is situated in a good quality residential area about 1.5 miles from the centre of Lyndhurst and is just inside the National Park.

The property comprises a former large detached single residence which has been sub-divided to form five units of accommodation with shared kitchen and Bathroom facilities. Usage has been for short term emergency housing.

Internally the property is in fair decorative order and is fitted to a basic standard.

3. Proposal.

The Estates & Valuations team believe that if the property is sold in its current condition it may achieve a sum in the region of £450,000.

The Capital receipt from the sale of the property would be internally ring-fenced for Housing.

It is proposed that the property be sold by Auction. Competitive quotations have been received from three firms of auctioneers. The result if this is that Estates & Valuations recommend appointing Fox & Sons Southampton Office who has a dedicated auction department covering the region.

4. Consultation.

The Housing Asset Management Group has indicated that the property is surplus to requirements and is no longer suitable for current needs for the following reasons:

- i) This hostel has provided temporary accommodation. Over recent years tenants have remained in temporary accommodation for many years due to a shortage of permanent stock. The sale of this relatively high value property will release funds for the purchase / development / refurbishment of more suitable permanent accommodation in areas where there is greater need.
- ii) The hostel is in an isolated location well outside the village centre, this is a significant issue for occupiers.
- iii) Due to the shared facilities on site and the behaviour of some of the tenants who are owed a duty under homelessness legislation, there have been significant management problems at the property. At times it has been difficult to find tenants appropriate for living in shared accommodation.
- iv) An option that was considered was conversion of the property into four small self contained units; this was rejected due to the cost which was provisionally estimated in 2007 to be up to about £200,000 and the fact that the isolated location is considered unsuitable for further investment.

In view of the above, the Housing Asset Management Group resolved to seek formal approval to sell the property at their meeting of 25th July 2013.

The General Housing Consents 2013 (March) provide Secretary of State Approval for disposal of the property with Vacant possession at Market Value.

5. Financial Implications

The anticipated financial receipt is in the region of £450,000.

The property has been largely vacant for many months and currently produces minimal rental income. This will reduce to zero when the last remaining occupier moves out in October. Re-investment of the sale proceeds in permanent housing can be anticipated to create a more conventional income stream.

6. Environmental Implications

None

7. Crime and Disorder Implications

None

8. Recommendations

It is recommended that the Council sells Woodlands Hostel on the open market by way of auction , subject to an appropriate reserve price, as soon as the property has been entirely vacated.

I agree with the recommendation

Cllr J Cleary

**Councillor Jill Cleary
Portfolio Holder for Housing & Communities**

I agree with the recommendation

Cllr C Wise

**Councillor Colin Wise
Portfolio Holder for Finance and Efficiency**

Date; **02 October 2013**

Date Notice of Decision Give: **02 October 2013**

Last Date for Call In: **09 October 2013**