



Derby City Council

**LEADER OF THE COUNCIL CABINET  
MEMBER MEETING**

7 February 2012

**ITEM 5**

Report of the Chief Executive

**227-229 Normanton Road – Sale at Auction**

**SUMMARY**

- 1.1 This property is no longer required and so it is proposed to authorise its sale at auction.

**RECOMMENDATION**

- 2.1 To authorise the disposal of 227-229 Normanton Road by auction with a guide price of £110,000 and for the Chief Executive in conjunction with the Cabinet Member to approve the reserve price.
- 2.2 To approve the use of the capital receipt to fund the 2011/12 capital programme in accordance with the policy detailed in the capital strategy.

**REASONS FOR RECOMMENDATION**

- 3.1 To ensure that the best consideration will be achieved and is secured in a timely disposal of the property.

**SUPPORTING INFORMATION**

- 4.1 The property was used as the Pride at Work offices and then by Tilad and is now vacant. As there is no operational requirement it is proposed to dispose of the property by public auction. It is therefore intended for it to be marketed by Bagshaws Residential Auctioneers, the Councils agents, with an auction date of 22 February 2012.
- 4.2 The proposal is to set the reserve immediately prior to the auction. It is anticipated that even if the sale price exceeds the reserve it is very unlikely to reach the threshold value of £249,999

## OTHER OPTIONS CONSIDERED

- 5.1 The property has been identified as surplus so retention was not considered an option. To dispose of this property by private treaty would be a lengthier process and leave it vulnerable and at risk of decline over an unknown period.

**This report has been approved by the following officers:**

<b>Legal officer</b>	Clare Wasteney
<b>Financial officer</b>	Michael Kirk
<b>Human Resources officer</b>	NA
<b>Service Director(s)</b>	Steve Meynell
<b>Other(s)</b>	Richard Boneham

**For more information contact:** Steve Meynell 01332 643337  
Steve.meynell@derby.gov.uk  
**Background papers:** None  
**List of appendices:** Appendix 1 – Implications

<b>IMPLICATIONS</b>
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**Financial and Value for Money**

- 1.1 Disposal by auction should allow the sale to be completed within the current financial year. The auctioneers fee and costs will be deducted from the receipt as an allowable offset under the capital finance accounting guidelines and IFRS code of practice. The receipt will be added to the corporate capital receipts pot to fund the 2011/12 capital programme in accordance with the capital receipts policy detailed in the capital strategy.

**Legal**

- 2.1 The Council has a duty to obtain the best price reasonably obtainable for the sale of the land under S123 of the Local Government Act 1972.

**Personnel**

- 3.1 None arising from this report.

**Equalities Impact**

- 4.1 None arising from this report.

**Health and Safety**

- 5.1 None arising from this report.

**Environmental Sustainability**

- 6.1 No issues arising from this report.

**Asset Management**

- 7.1 The disposal of the property at auction will allow the property to be bought back into use.

**Risk Management**

- 8.1 No issues arising from this report.

**Corporate objectives and priorities for change**

- 9.1 Whilst the proposal does not meet any specific objectives it should allow the property to be brought back into use.