
REPORT TO:	Cabinet
DATE:	30 March 2022
SERVICE AREA:	Place Shaping and Economic Growth
REPORTING OFFICER:	Executive Officer Strategic Property & Major Projects (<i>Estates Surveyor - James Bean</i>)
SUBJECT:	The disposal of flats 80A, 82A, 82B, and 82C High Street, Knaresborough
WARD/S AFFECTED:	Knaresborough Castle
FORWARD PLAN REF:	N/A

1.0 PURPOSE OF REPORT

- 1.1 To gain approval from Cabinet for the disposal of the long leasehold of four flats on Knaresborough High Street.

2.0 RECOMMENDATION/S

- 2.1 Cabinet agree to the disposal by way of long lease of the flats 80A, 82A, 82B, and 82C High Street Knaresborough (“the Flats”).
- 2.2 Cabinet delegates authority to the Director of Economy, Environment and Housing in consultation with the Head of Legal and Governance to agree the final sale price of each flat and complete the negotiation of the contract for the sale of the flats in paragraph 2.1 above.

3.0 RECOMMENDED REASON/S FOR DECISION/S

- 3.1 The acquisition, refurbishment and disposal of these properties has brought long-term empty properties back into use and will support the viability of Knaresborough High Street.
- 3.2 By disposing of the Flats via long leasehold, it is anticipated that a capital receipt of circa £880,000 will be achieved.
- 3.3 By disposing of a long leasehold and retaining the freehold of the properties Harrogate Borough Council (HBC) will retain control over the quality and frequency of future external repair and maintenance of these high profile,

high street buildings. HBC will continue to manage and let the two retail units for place shaping purposes.

4.0 ALTERNATIVE OPTION/S CONSIDERED AND RECOMMENDED FOR REJECTION

- 4.1 The Council retains the Flats and manages them directly. This has been rejected as the Flats have been determined as not suitable for social rented homes.
- 4.2 To sell the Flats freehold. This has been rejected - to dispose of the freehold of the Flats would not be compatible with the place shaping aims of the project.

5.0 THE REPORT

- 5.1 On 2 October 2019 the Council bought four long-term empty properties on Knaresborough High Street. The purpose of this acquisition was to support Knaresborough High Street by bringing long term empty properties back into use. A proactive refurbishment scheme has now been completed, resulting in a significant uplift to the visual appearance of the building and a positive contribution to the vitality of Knaresborough High Street through new flats and retail space.
- 5.2 The Council has refurbished two of the Flats (80A and 82A) and, following extensive renovations, created two new Flats (82B and 82C). Following the completion of the renovation work, the Council is now in a position to dispose of the 4 Flats via long leasehold.
- 5.3 In addition to the residential units, the Council refurbished 2 retail units (80 and 82 High Street). The Council will retain the freehold of the retail units for place shaping purposes.
- 5.4 The Council have engaged the services of a local property agent. After visiting the properties it has been recommended to market the residential properties at the following prices:
- Flat 80A £295,000
 - Flat 82A £195,000
 - Flat 82B £199,950
 - Flat 82C £189,950
- 5.5 This would give a projected disposal value of £879,900 for the residential element.
- 5.6 Agreeing to the Director of Economy, Environment and Housing having the final approval for the disposal of the properties will ensure that the sales process can be completed in a timely manner.

6.0 REQUIRED ASSESSMENTS AND IMPLICATIONS

- 6.1 The following were considered: Financial Implications; Legal Implications; Strategic Property/Asset Management Considerations. If applicable, the outcomes of any consultations, assessments, considerations and implications considered necessary during preparation of this report are detailed below.
- 6.2 Legal Services have been consulted during the preparation of this report and support the recommendations at paragraph 2 subject to satisfactory valuation advice being obtained at the point of sale for each flat to ensure best value and approval of the appropriate legal documentation.
- 6.3 Financial Services have been consulted during the preparation of this report.

7.0 CONCLUSIONS

- 7.1 The properties at 80A – 82C have undergone extensive renovation and refurbishment. In order to meet the place shaping objectives of the project the Council will retain the freehold of the properties and dispose of the residential units via a long leasehold.
- 7.2 The Council have engaged the services of a local agent to facilitate in the disposal of flats 80A – 82C High Street, Knaresborough.

Background Papers –

Refurbishment of 78 – 82 Knaresborough High Street, Award of Contract, Report to Cabinet, 2 November 2020.

Acquisition of Empty Properties, Report to Cabinet, 27 March 2019.

OFFICER CONTACT: Please contact James Bean, Estates Surveyor, if you require any further information on the contents of this report. The officer can be contacted by e-mail – james.bean@harrogate.gov.uk