

Executive Committee

9 August 2016

Proposal to Sell The Chantry, Bridport

For Decision

Briefholder

Councillor John Russell – Environmental Protection and Assets

Senior Leadership Team Contact:

M Hamilton, Strategic Director

Report Author:

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Statutory Authority

Legal power to dispose of the land – s123 (2) and s 128(1) Local Government Act 1972 and Circular 06/03 Local Government Act 1972 General Disposal Consent (England) 2003.

Purpose of Report

- 1 a) To seek authority to place the property on the market and to negotiate a sale
- b) To seek authority to purchase the furnishings and effects

Officer Recommendations

- 2 a) To obtain planning permission on the Chantry for use as a single dwelling
- b) To purchase the furnishings and effects currently in the Chantry
- c) To sell the Chantry by private treaty

Reason for Decision

- 3 To maximise the sale price and provide the Council with a capital receipt.

Background and Reason Decision Needed

- 4 The Chantry is a heritage building which the Council have owned since the 1974 Local Government Reorganisation. The whole building was let in 1985 to the Vivat Trust for a term of 99 years with the annual rent (most recently £4,240 pa) fixed at 50% of the open market rental value. The company specialised in holiday lettings. Vivat Trust went into liquidation in

2015 and the Council took possession after the liquidator disclaimed the lease.

- 5 A planning consent was granted in 1986 to, "Make alterations to convert dwelling to museum and dwelling". However, the property has been utilised as a holiday home for about 30 years and therefore has an established use as such. The former residential use is thus extinguished. Informal discussions have been held with the planning officer who felt that it would need a planning consent to be able to be used as a single dwelling and it is likely that such an application would be approved.
- 6 The property is the oldest building in Bridport, dating originally from 1253 and was a priest's house for a large part of its history. It is Listed Grade II*. The property comprises a detached three storey building with a front and rear garden. The property has three bedrooms and many character features including a sixteenth century stone fireplace, stone arches, flagstone floors, exposed beams etc.
- 7 The property is held freehold by WDDC and there appear to be no limiting factors affecting our ability to dispose of our interest here. The furnishings, curtains and appliances are not owned by the Council and the liquidators have claimed these. They are available to the Council to purchase.
- 8 The property has been inspected and valued for sale on the open market by estate agents and, owing to the specialist nature of this property coupled with its unusual location, their views with regard to guide prices ranged from £395,000 to £450,000. It is therefore suggested that offers be invited in excess of £400,000 with the level of interest determining how the negotiations and final price is concluded. The advice of the agents is to sell the property on the market by private treaty. It is not considered that auction or tender would result in the best price being achieved. Auctions are generally used for problem properties where a quick sale at a low price is anticipated and a tender is preferable where demand is high.
- 9 Other options for the building have been explored. There is potential for the property to remain in its existing use and be sold as a holiday home. The price which would be paid for the property if sold on this basis would be less than if the property could be sold as a single dwelling (with planning permission obtained). Alternatively the property could be retained and let out either:-
 - i) To a holiday home company similar to Vivat Trust. The rent would need to reflect the tenant incurring the liability for maintenance (see confidential appendix) the income would be unlikely to exceed £10,000 per annum.
 - ii) By conducting lettings through a holiday home agency. This would result in an increased income but retain the Council's liability for repairs and maintenance and imply a sizeable workload for officers to oversee the agent's management of weekly or overnight lettings.

The use as a holiday home possibly in conjunction with the local Museum, while not being so remunerative an option, would ensure greater public access to this heritage building.

- 10 There is no financial basis for retaining ownership of this property. Its sale would generate a significant capital receipt which could be used to generate a greater income from other more secure investments than could be obtained from letting this property.
- 11 The recommendation is to proceed to a disposal on the open market for residential use (in addition to its current use) and simultaneously apply for planning permission for a single dwelling.
- 12 The previous tenant fitted the property with carpets and curtains and furnished the building throughout in keeping with the building's character. The furnishings and effects accentuate the charm of this property and officers therefore recommend that they be purchased in order to fulfil all the options above to maximum advantage. Officers are advised that the price to purchase the furnishings and effects will be circa £3,000 plus VAT.

Implications

Corporate Plan

Financial

Estate agents have indicated a price range of £395,000 to £450,000.

The income from a lease to a holiday home company (similar to Vivat) would be less than £10,000 per annum.

The costs of purchasing the furnishings and effects will amount to circa £3,000 plus VAT.

The costs associated with its sale will amount to approx. £5,000 plus VAT.

Equalities

This property is not suitable for all persons.

Environmental

This is a very old property and will need considerable care and attention to preserve both its structure and character. It is therefore felt that obtaining planning permission for residential use will provide a more sustainable financial future for this property

Economic Development

The loss of this holiday home will have only a minor impact upon the job opportunities available

Risk Management (including Health & Safety)

The property has been secured and there are weekly inspections which comply with the insurers requirements.

Human Resources

The resources required to sell the property are few. There will be some officers' time required to submit a planning application

Consultation and Engagement

Planning officers have been consulted. Relevant Executive Portfolio Holders have been consulted.

Appendices

None

Background Papers

None

Footnote

Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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