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# **Executive Report**

Freehold sale by auction of  
The Rowans, College Street, LE2 0JH.

Decision to be taken by: City Mayor

Decision to be taken on: 29 August 2023

Lead Director: Matthew Wallace

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## Useful information

- Ward(s) affected: Stoneygate
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- Checked by: Kathryn Ellis FIRR, Head of Strategic Property, Estates and Building Services. Ext. 372578
- Report version number: Updated HV – 06/06/2023

### 1. Summary

The purpose of the report is to seek approval to proceed to the sale by auction of the premises known as The Rowans, College Street, Leicester, LE2 0JH.

### 2. Recommended decision

The City Mayor is asked to formally approve:

- The sale by auction of The Rowans, College Street, Leicester, LE2 0JH. This decision is reserved for the City Mayor because it meets the criteria of a sale as covered in paragraph 8 of the Scheme of Delegation. The sale of building is not a criterion to qualify as a key decision. The Director of Estates and Building Services has approved the valuation and reserve.

### 3. Scrutiny

The sale of building is not a criterion to qualify as a key decision.

### 4. Background and options with supporting evidence

The Rowans is a Grade II listed building on College Street Leicester, to the rear of Leicester railway station. The Rowans is a substantial 2-storey property with basement of approximately 1.314 sqm and 30 parking spaces. The property is vacant and was previously used as a Day Centre/Social Services Offices but there is potential for other uses e.g. community/educational (D1), residential, subject to planning.

A decision was made on 19 February 2020 that the property was surplus to requirement, and it was agreed to dispose of by auction to gain best consideration. Due to the market being in lockdown due to Covid-19 this was initially delayed pending Government advice for attending auctions. Subsequently, the Education Department expressed an interest in occupying the building for a SEND school. A feasibility study took place between 2020 and 2022, however following Covid-19 the construction market has experienced significantly higher build and refurbishment costs; this, combined with difficulty in changes in levels to meet SEND accessibility issues meant that it was no longer financially viable or suitable.

Additionally, the Council undertook a comprehensive Asset Development Review (ADR) which resulted in the building being agreed as surplus to requirements. Repurposing options included conversion to training/educational use under the Corporate Estate Investment Portfolio and conversion by Housing. These options were discounted due to the Council's affordability criteria,

Following consideration of all options proposed, disposal at public auction is recommended to achieve best consideration for the Council. Any future change of classification of use will be the responsibility of the purchaser in liaison with the Planning Authority.

## **5. Detailed report**

### **Property**

**The Rowans, College Street, Leicester, LE2 0JH**

#### **5.1 Background**

- 5.1.1 The building was previously used as a Day Centre/Office use (Sui Generis). Change of use to Education (F1) was granted in 2021, however the property remained within the Corporate Estate Portfolio. The property is on College Street, near to Leicester train station.
- 5.1.2 The property is a substantial two storey building with basement of approximately 14,143 sq.ft with 30 car parking spaces.
- 5.1.3 The site is no longer required as a Day Centre/Social Services offices and an ADR concluded that repurposing of the building was not considered viable for conversion for educational use as this option was discounted. Other considerations discounted included use within the Corporate Estate investment portfolio. Following consideration of all options proposed, disposal at public auction is recommended to achieve best consideration for the Council.

#### **5.2 Previous Property Use**

- 5.2.1 Permitted use was previously as a Day Centre/Office use (Sui Generis), however, change of use to Education (F1) was granted in 2021 but this use has not been implemented.

#### **5.3 Valuation**

An external Open Market Valuation has been undertaken and annexed at **Appendix A** and has been marked – **Not for Publication**.

#### **5.4 Planning authority**

- 5.4.1 The property is situated within the Stoneygate Ward fronting College Street close to London Road. The property is a Grade II Listed and is within South Highfields Conservation Area.

5.4.2 The site lies primarily in a residential area close to commercial amenities on London Road and Sparkenhoe Street.

5.4.3 In relation to the proposed use of the site, the planning department would have concerns with any uses that would generate noise or significant activity, especially during early/ late hours and over weekends. Given the history at the site, they consider office use or education use of the site to be acceptable uses in principle. It may be possible that residential use of the site may be appropriate, however this (and any other uses) would need to take into account the listed status of the building, especially when proposing physical alterations to the building. Given the listed status of the building, permission would be required for any works prior to any development taking place. Any proposal will require a change of use application due to the current Sui Generis use, as the Class F1 (Education) use has not been implemented. Any application for planning permission and listed building consent would also need to take into account local and national planning policy requirements. Therefore, any interested parties would need to contact the planning department to discuss any potential plans for the site given the location and listing of the building once a more specific proposal has been identified. This should be included in any advertising material.

## 5.5 Recommendation

5.5.1 The property has been identified as surplus to requirements, therefore, we recommend that this property should be sold at Public Auction with an anticipated capital receipt (**see Appendix A**) to be obtained and with a view to the building brought back in use by the prospective purchaser.

Disposal by auction of The Rowans, College Street, Leicester, LE2 0JH is recommended in order to achieve best financial consideration under S123 of the Local Government Act 1972.

This decision is reserved for the City Mayor because it meets the criteria of a sale as covered in paragraph 8 of the Scheme of Delegation. The sale of land is not a criterion to qualify as a key decision.

## **6. Financial, legal, equalities, climate emergency and other implications**

### 6.1 Financial implications

The proposed sale of the site will generate a capital receipt of an amount indicated within Appendix A. This receipt will become available to support the corporate capital programme. Running cost savings will be achieved on maintenance, rates etc. and these will be released to support costs associated with the wider portfolio of vacant buildings.

**Stuart McAvoy – Head of Finance**

### 6.2 Legal implications

1. The Council has a legal obligation to dispose of land at the best consideration reasonably obtainable in accordance with s.123 of the Local Government Act 1972 (as amended). Open marketing or auction is acknowledged to achieve best consideration. A disposal includes either a freehold sale or lease for a term of more than 7 years.

2. In considering the disposals outlined in this report, the Council should have regard to its adopted Framework for Property Disposals to ensure the proposed disposal is compliant, and in addition the Council should ensure its fiduciary duty to its taxpayers is satisfied.

**Zoe Iliffe, Principal Lawyer (Property, Highways & Planning)**

### 6.3 Equalities implications

Under the Equality Act 2010, public authorities have a Public Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

The recommendation of the report does not have any direct equalities implications; however, it is important that the process is open, transparent, and accessible.

**Surinder Singh, Equalities Officer, Leicester City Council**

## 6.4 Climate Emergency implications

Buildings are one of the largest sources of carbon emissions in Leicester. Following the city council's declaration of a Climate Emergency and aim to achieve net zero carbon tackling these emissions is key.

The removal of this building from the Council's portfolio is not expected to have a significant impact on the Council's carbon emissions. However, any redevelopment of the building following its sale will be required to abide by local planning policy and building regulations in respect of energy efficiency.

**Aidan Davis, Sustainability Officer, Ext 37 2284**

## 6.5 Other implications

None

## **7. Background information and other papers:**

N/A

## **8. Summary of appendices:**

Appendix A – Financial Appraisal and Valuation Report **Not for Publication**

Appendix B – Site Plan

## **9. Is this a private report**

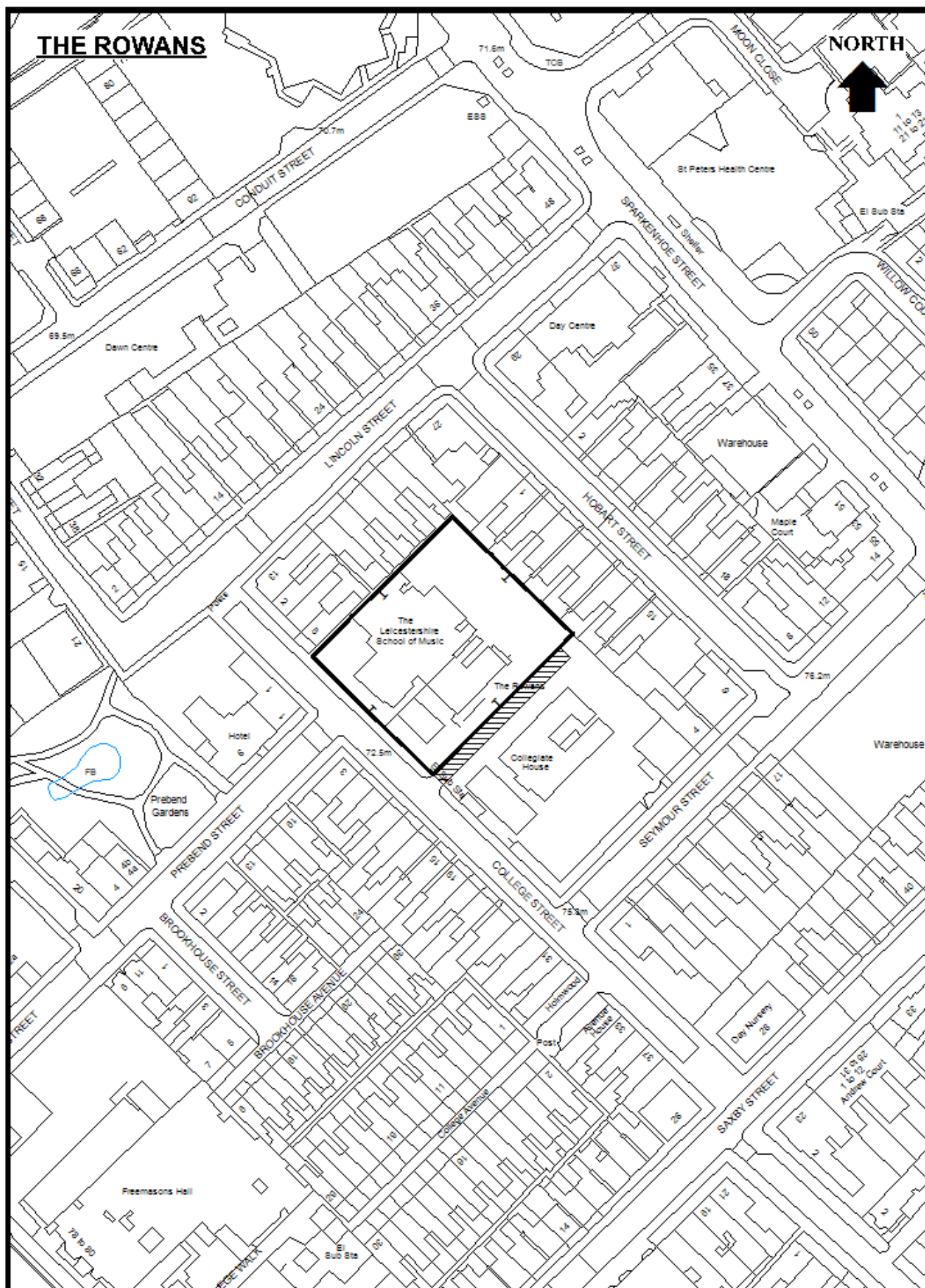
The general covering report is not confidential, but the specific financial details given about the property and its valuation in Appendix A is considered exempt from publication. This is exempt information as defined in Paragraphs 3 of Schedule 12A of the Local Government Act 1972, as amended. Appendix A is therefore marked "Not for Publication".

Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

## **10. Is this a "key decision"?**

No

**Appendix B**



BASED UPON THE ORDNANCE SURVEY MAP WITH THE SANCTION OF THE CONTROLLER OF HER MAJESTY'S OFFICE. CROWN COPYRIGHT RESERVED. FIG. ENCT. No. 100019264

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**NOT TO SCALE**  
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DIRECTOR OF ESTATES & BUILDING SERVICES  
 LEICESTER CITY COUNCIL