

CABINET MEMBER DECISION RECORD

This form should be used to record Executive decisions taken by Cabinet Members

Decision Ref. No:

Responsible Officer:

Gary Platt, Head of Property and Corporate Property Officer

Subject: 41 Oxford Road

Decision taken:

To sell the residue of the Council's 99-year leasehold interest 41 Oxford Road, Bournemouth to an adjoining owner. The sale is conditional upon the purchaser securing planning consent for a mixed-use development on the site.

Reasons for the decision:

The decision responds to the following Corporate priorities identified in the Corporate Plan:

IE4 Improving the quality of Bournemouth's built environment – this proposal will secure the redevelopment of 2 pairs of Victorian semi-detached properties which are no longer in keeping with an area of high-rise development.

IE2 Working with others to deliver Bournemouth's housing needs – the proposal is to deliver new homes as part of a mixed-use development. The sale of this asset will also secure a long-term replacement for this hostel, which is used to provide temporary accommodation for homeless families.

EC4 Making the best use of our assets – the sale to a special purchaser will generate a price in excess of its market value.

Call-in and Urgency: The decision is subject to the Council's call in procedure

Background:

The Council has a Long leasehold interest in 41 Oxford Road. This is for a term of 99 years from 24 June 1950, with some 34 years unexpired. The property is used as temporary accommodation for homeless families.

Whilst there is an ongoing need for this facility in the discharge of the Council's homelessness functions, the property is a semi-detached Victorian house which is now out-of-keeping with its surrounding, which is predominantly medium and high-rise offices and flats. Therefore, the site is overdue for redevelopment.

The leasehold interest in the adjoining property, 43 Oxford Road, has been purchased by a development company, which has secured options on the freehold interest and the two semi-detached properties at 6 and 8 St Paul's

Road. This company intends to pursue a planning application for a mixed-use scheme comprising offices and flats.

The redevelopment of this site is entirely in accordance with the Lansdowne Delivery Plan: <https://www.bournemouth.gov.uk/Business/DevelopmentsinBournemouth/TheLansdowneDeliveryPlan.aspx>.

Terms have provisionally been agreed as follows:

- The sale is subject to the purchaser securing a planning consent for [80] residential units on the combined site.
- The purchase is to be such on terms that the parties agree prior to the contract becoming unconditional. Terms may include a replacement property, with or without a cash adjustment (payable or receivable). In default of agreement, the purchase price will be [_____].
- There will be a delayed completion to allow the Council sufficient time to re-home the residents.

Options - and reasons for rejection: Not to sell the property. This would frustrate the full implementation of the Lansdowne Delivery Plan.

Consultations undertaken:

None.

Finance and Resourcing Implications:

The Land Registry records show that the leasehold interest in 43 Oxford Road was sold in December 2016 for £216,000. Whilst the 41 Oxford Road is in better condition, having been refurbished at a cost of over £100,000, it is clear that the offer from the adjoining owner is above the market value of the property. Therefore, the price agreed represents Best Value and fully meets the requirements of S123, Local Government Act 1972.

The terms agreed reflect the need to replace this homeless hostel and the proceeds of sale will be ring-fenced for this purpose.

Name: SHAUN DARCY

Assistant
Signature: (of Chief Finance Officer)

Date: 12/02/18

Legal implications:

The Council has the necessary legal powers to undertake this sale. The Council's in-house legal team will deal with the contract documentation.

Name:

Deputy
Signature: (of Monitoring Officer)

Date:

12/02/18

Risk assessment:

An initial risk assessment has been completed and this shows this to be a medium risk transaction. Since the sale is dependent on the purchaser

securing planning consent for a 80 residential units, there is a risk that the transaction will not proceed.

Name: Gary Platt

Date: 12/2/18

Signature: (of Head of Property)

Impact Assessments:

An Equality Impact Needs assessment has been completed. This acknowledges that the selection of a suitable replacement homeless hostel is crucial to ensure that the new building does not result in a poorer service, either in terms of the physical attributes of the property (quality/size) or as a result of a poorer location. The Equalities Action Plan will ensure that the needs of service users will be fully considered when considering options to ensure that there are no negative outcomes in terms of equalities.

On a positive note, the sale will likely lead to the redevelopment of the site to provide new jobs and homes, which will benefit most, if not all, sections of society.

An Environmental Impact Assessment recognises that the premises are currently a negative contributor to the immediate neighbourhood and constitute a non-conforming land use in an area of high and medium-rise development. The sale will allow new development to come forward that is likely to be a positive contributor. In all other aspects, the redevelopment of these premises, which may have an effect on the environment, is not part of this decision.

This facility will be replaced but, until a replacement is identified, it is not possible to compare the environmental performance of the old vs. the new. It is assumed, therefore, that this will have a neutral impact.

Information for/not for publication:

- The decision will be published but the figures in square brackets are to be redacted for publication as this constitutes exempt information as defined in paragraph 3 in Part 1 of Schedule 12A of the Local Government Act 1972.

Background papers:

- Equality Impact Needs Assessment
https://www.bournemouth.gov.uk/councildemocratic/EqualityDiversity/EqualityImpactNeedsAssessments.aspx?EINAList_AtoZLetter=O
- Environmental Impact Assessment
- Initial Risk Assessment

Any conflict of interest declared by a Cabinet Member who is consulted by the Member taking the decision	Name of Cabinet Member	Nature of interest	Details of any dispensation granted by the Monitoring Officer
No	N/A	N/A	N/A

Decision taken by:

Councillor Robert Lawton

Councillor Philip Broadhead

Cabinet Portfolio: Housing

Cabinet Portfolio: Local Government
Reorganisation & Economic Growth

Signed:

Signed:

Date of decision:

12-2-18

Date of decision:

12-2-18

Date of publication of record of decision:

Date decision effective – that is 5 working days after the date of publication of the record of decision unless the decision is called-in for consideration by the relevant Overview and Scrutiny Panel:

