

Agenda

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Delegated Decisions of the Board Member, Finance and Efficiency

Date: **Wednesday 7 September 2011**

Time: **5.00 pm**

Place: **Town Hall, Oxford**

For any further information please contact:

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Delegated Decisions of the Board Member, Finance and Efficiency

Board Member

Portfolio

Councillor Ed Turner

Finance and Efficiency

HOW TO OBTAIN AGENDA

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AGENDA

PART ONE PUBLIC BUSINESS

Pages

1 DECLARATIONS OF INTEREST

Guidance on personal and personal prejudicial interests is attached to these agenda pages.

2 PUBLIC ADDRESSES

Members of the public may, if the Board Member agrees, ask a question of the Board Member on any item for decision on this agenda (other than on the minutes). The full text of any question must be notified to the Head of Law and Governance by no later than 9.30 am two clear working days before the meeting. Questions by the public will be taken as read and, at the Board Member's discretion, responded to either orally or in writing at the meeting. No supplementary question or questioning will be permitted.

The total time permitted for this item will be 15 minutes.

3 COUNCILLOR ADDRESSES

City Councillors may, at the Board Member's discretion, ask a question or address the Board Member on an item for decision on the agenda (other than on the minutes). The full text of any question and the nature of any address must be notified to the Head of Law and Governance by no later than 9.30 am two clear working days before the meeting. Questions by councillors will be taken as read and, at the Board Member's discretion, responded to either orally or in writing at the meeting. No supplementary question or questioning will be permitted. If an address is made, the Board member will either respond or have regard to the points raised in reaching her or his decision. If the address is by the Chair of a Scrutiny Committee or her or his nominee then the Board member will be required to say as part of their decision whether they accept the Scrutiny recommendations made.

4 BMW PURCHASE OPTION FOR LAND AT HORSPATH ROAD

1 - 6

Lead Member: Councillor Turner

Report of the Head of Corporate Assets

To seek approval to grant an option to BMW (UK) Manufacturing Limited on land at Horspath Road/Oxford Road, Cowley.

| | | |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| 5 | HARCOURT HOUSE | 7 - 16 |
| | Lead Member: Councillor Turner Report of the Head of Corporate Assets To seek authority to enter into a joint promotional agreement to bring the site forward for development. | |
| 6 | BARTON NEIGHBOURHOOD CENTRE - PHOTOVOLTAIC PANELS | 17 - 26 |
| | Lead Member: Councillor Turner Report of the Head of Corporate Assets To grant a lease to Barton Community Association (BCA) to allow the Association to install Photovoltaic panels on the roof of the Barton Neighbourhood Centre. | |
| 7 | APPROVAL TO PROPOSED LETTING OF 33-35 GEORGE STREET | 27 - 34 |
| | Lead Member: Councillor Turner Report of the Head of Corporate Assets To seek approval for the letting of 33-35 George Street, Oxford. | |
| 8 | MATTERS EXEMPT FROM PUBLICATION | |
| | If the Board member wishes to exclude the press and the public from the meeting during consideration of any of the items on the exempt from publication part of the agenda, it will be necessary for the Board member to pass a resolution in accordance with the provisions of Paragraph 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 on the grounds that their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Schedule I2A of the Local Government Act 1972. The Board member may maintain the exemption if and so long as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. | |

DECLARING INTERESTS

What is a personal interest?

You have a personal interest in a matter if that matter affects the well-being or financial position of you, your relatives or people with whom you have a close personal association more than it would affect the majority of other people in the ward(s) to which the matter relates.

A personal interest can affect you, your relatives or people with whom you have a close personal association positively or negatively. If you or they would stand to lose by the decision, you should also declare it.

You also have a personal interest in a matter if it relates to any interests, which you must register.

What do I need to do if I have a personal interest?

You must declare it when you get to the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you. You may still speak and vote unless it is a prejudicial interest.

If a matter affects a body to which you have been appointed by the authority, or a body exercising functions of a public nature, you only need declare the interest if you are going to speak on the matter.

What is a prejudicial interest?

You have a prejudicial interest in a matter if;

- a) a member of the public, who knows the relevant facts, would reasonably think your personal interest is so significant that it is likely to prejudice your judgment of the public interest; and
- b) the matter affects your financial interests or relates to a licensing or regulatory matter; and
- c) the interest does not fall within one of the exempt categories at paragraph 10(2)(c) of the Code of Conduct.

What do I need to do if I have a prejudicial interest?

If you have a prejudicial interest you must withdraw from the meeting. However, under paragraph 12(2) of the Code of Conduct, if members of the public are allowed to make representations, give evidence or answer questions about that matter, you may also make representations as if you were a member of the public. However, you must withdraw from the meeting once you have made your representations and before any debate starts.

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To: Board Member for Finance and Efficiency

Date: 15 August 2011

Report of: Head Corporate Assets

Title of Report: Granting of option agreement with BMW (UK) Manufacturing Limited on land at Horspath Road/Oxford Road, Cowley

Summary and Recommendations

Purpose of report: To seek approval to grant an option to BMW (UK) Manufacturing Limited on land at Horspath Road/Oxford Road, Cowley.

Key decision? Yes

Executive lead member: Councillor Ed Turner

Report approved by: David Edwards,
Executive Director, Regeneration and Housing

Finance: Paul Jemetta
Legal: Lindsay Cane

Recommendation(s): The Executive member is recommended to:

1. Agree to an option agreement with BMW for land off Horspath Road and Oxford Road, Cowley, as detailed in this report and otherwise on terms and conditions to be approved by the Head of Corporate Assets.

Background

1. This report seeks approval to grant an option agreement to BMW (UK) Manufacturing Limited (BMW) on land owned by Oxford City Council and hatched on the plan attached at Appendix 1.
2. The option would allow BMW to consider the relocation of the Rover Sports and Social Club (RSSC) onto the hatched land owned by Oxford City Council to allow for the expansion of the plant and assist in protecting and creating employment.
3. Whilst BMW have no currently approved plans or intentions for plant expansion, they are concerned that they have no readily available plant expansion land to take advantage of intra company opportunities should they become available. They now wish to remedy that position.

4. In summary, the proposal includes:
- Granting, on commercial terms, an option to BMW on a site owned by the Council and comprising unused statutory allotment land (the allotments have not been cultivated for 11 years) and existing agricultural land to facilitate the relocation of the RSSC premises. The existing agricultural tenancy dated 14 January 2001 of the main part of the land provides an annual rent of £1,256 per annum on a year-to-year tenancy with determination rights in favour of the Council by giving the tenant three calendar months notice in writing expiring at any time.
 - Entering into an agreement for lease with RSSC.
 - Exploring opportunities for wider community use/benefit from the granting of public access to the potential new RSSC facilities.

Issues

5. BMW requires the RSSC land for potential expansion of its manufacturing facilities in order to be best placed to bid for intra-company business. In order to do this BMW need to relocate RSSC to a nearby site owned by the Council, BMW require an option to allow time to work up the proposals, establish the business case and to secure required funding. In supporting the potential for expansion of the plant the Council would be supporting existing and new employment and avoiding the need to consider off-site development options which could increase vehicle movements.
6. Planning officers have confirmed that the Council land is designated Green Belt and is potentially suitable for outdoor sports use under the Local Plan. (Policy DS 34). This specifically mentions 'planning permission will be granted at the Horspath site, land south of Oxford Road, for the development of outdoor sports facilities'. In addition, the consultation development document 'Sites and Housing' dated June 2011 states that the 'City Council is still in strong support of facilitating the expansion of BMW' and that RSSC 'would like to use the site as replacement sports and social facilities'. The adjacent site (shown on plan) might also be considered as an option for cemetery use if any residual land were of sufficient size. That aspect is not considered further within this report.
7. Members will be aware that an option has been entered into on part of the site with Partnerships for Renewables (PfR) for the erection of a wind turbine. As a result of concern from the MoD, the proposal is no longer able to proceed and the PfR option is now in the process of being cancelled.
8. Part of the Council land comprises former allotment land and this land has remained unused for 11 years. The Council has an approach not to reopen former allotment sites.

9. BMW would, as part an agreement with RSSC, deliver a completed building to a specification agreed with the Council that would then be leased to RSSC on terms to be agreed.
10. A final report setting out the terms proposed by BMW and RSSC would be presented in due course following the completion of negotiations with BMW and RSSC and before any final decision is made.

Risk Implications

11. A risk assessment has been undertaken and the risk register is attached as Appendix 2. This will be maintained and updated throughout the tender process.

Sustainability and Climate Change Implications

12. In granting an option to BMW for the relocation of the RSSC, it would allow the possible expansion of the manufacturing facility without the need to have an off-site secondary facility and additional off-site traffic movements. Colleagues from the Climate Change Team will be fully consulted.

Equalities Implications

13. The provision of new and improved community facilities at Horspath Road would improve leisure opportunities for local residents. An Equalities Impact Assessment will be undertaken if the scheme of RSSC relocation progresses.

It is not feasible to produce an equalities impact assessment in advance of the detailed proposals for the replacement of the community facilities being received. This detail will form part of the report back to CEB..

Financial Implications

14. The Oxford Council owned property currently produces an annual income by virtue of the Agricultural Tenancy (from 31st May 1978) over the 29.93 acres of £1,256 per annum.
15. It maybe necessary to compensate the tenant to secure possession by agreement. The costs would be met by BMW.
16. The Council's costs in seeking independent external specialist advice in this matter are being met by BMW.
17. The Council will possibly be in receipt of capital and/or income depending on how the option subsequently proceeds.

Legal Implications

18. The power to dispose of land is contained within S123 of the Local Government Act 1972 for best consideration. Any disposal of the disused former allotment land will require Secretary of State's consent in due course.

Recommendations

19. The City Executive Board is recommended to:
 1. Agree to the entering into of an option agreement to BMW for land off Horspath Road and Oxford Road, Cowley as detailed in this report and otherwise on terms and conditions to be approved by the Head of Corporate Assets.

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Extension: 2294

List of background papers: Appendix 1 plans showing the property
Appendix 2 risk register

Version number: 1

Appendix 2

CEB Report Risk Register – Granting of Option to BMW (UK) Manufacturing Limited on land at Horspath Road/Oxford Road, Cowley

Risk Score **Impact Score:** 1 = Insignificant; 2 = Minor; 3 = Moderate; 4 = Major; 5 = Catastrophic
Probability Score: 1 = Rare; 2 = Unlikely; 3 = Possible; 4 = Likely; 5 = Almost Certain

| No. | Risk Description Link to Corporate Objectives | Gross Risk | | Cause of Risk | Mitigation | Net Risk | | Further Management of Risk: Transfer/Accept/Reduce/Avoid | | Monitoring Effectiveness | | | | Current Risk | |
|-----|--------------------------------------------------|------------|---|--------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|----------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------|---|---|---|--------------|--|
| | | I | P | | | I | P | Q | Q | Q | Q | I | P | | |
| 1. | Negotiations fail with BMW. | 3 | 3 | BMW/ OCC fail to agree a 'common position'. | Mitigating Control: Close contact during procurement process. Level of Effectiveness: (HML) H | 2 | 2 | Action: Ongoing contact throughout process to ensure parties still interested. Action Owner: Jane Winfield | Outcome Required: Successful negotiation. Milestone Date: October 2011 | 1 | 2 | 3 | 4 | | |
| 2. | Reputational risk | 2 | 2 | Decision made to pursue capital receipt over 'wider community benefits'. | Mitigating Control: Head of Corporate Assets continues liaison with Lead Members. Level of Effectiveness: (HML) H | 1 | 1 | Action: Liaison with Lead Members and recognition of any change in policy. Action Owner: Steve Sprason Mitigating Control: Control Owner: | Outcome Required: CEB approve detail. Milestone Date: October 2011 | | | | | | |



9

Land at Horspath Road and Oxford Road, Cowley, Oxford

To: Delegated Decisions of the Board Member, Finance and Efficiency

Date: 15 August 2011

Report of: Head of Corporate Assets

Title of Report: Harcourt House, Marston Road –
Joint Promotional Agreement

Summary and Recommendations

Purpose of report: To seek authority to enter into a joint promotional agreement to bring the site forward for development, (this will also require a variation to the existing lease). Also the City Council will take a lease of part of the property which is currently laid out as car parking on a temporary basis to provide a temporary public car park during development (subject to the obtaining of planning consent) of the St Clement's Car park.

Key decision? No

Single Member decision: Councillor Ed Turner ~ Finance, Corporate Assets and Strategic Planning

Report approved by: David Edwards, Executive Director, Regeneration and Housing

Finance: TBC

Legal: TBC

Policy Framework: A vibrant and sustainable economy, strong and active communities.
An efficient and effective Council.

Recommendation(s): The Executive Member for Finance, Corporate Assets and Strategic Planning (Councillor Turner) is RECOMMENDED to:

1. Give approval to enter into a Joint Promotional Agreement as described in this report, and otherwise on terms and conditions to be approved by the Head of Corporate assets.

2. Note that the City Council will enter into a lease of the existing Harcourt House car park for a period of up to 2 years for the provision of temporary car parking.
3. Note the intention to agree a variation to the existing Harcourt House lease as described herein.

Appendices

Appendix 1 – Site Plan

Appendix 2 – Report Risk Register and Confidential Appendix

Appendix 3 – Details of Joint Promotional Agreement

Background

1. The City Council owns the freehold interest of the property known as Harcourt House and which is edged black on the plan at Appendix 1. The majority of the property is let to the Department for Work and Pensions and managed by Telereal (Trillium). The lease is for a term of 75 years expiring 29th September 2029 (18 years unexpired), the rent is fixed at £135 per annum and the tenant is responsible for all repairs and insurance.
2. The lease also provides for an ability for the City Council to buy back any part of the site at open market value on an application from the tenant to assign or sub-let.
3. In the site and housing development plan document (preferred options) published in June 2011, the preferred option is to allocate the site for residential and/or student accommodation. It is also allocated in the Oxford Local Plan 2001-2016 for student accommodation and teaching/administration accommodation for Oxford Brookes University. The Head of Corporate Assets is also aware that representations have been made to widen the preferred option to include potential use for educational purposes.
4. The property is currently part occupied by a tenant for vehicle hire purposes, part is also occupied by the army cadets and the majority of the site (which is former public sector offices) is vacant.

Report

5. The City Council has been approached by Telereal Trillium (the existing tenant) and is proposing to enter into a joint promotional agreement on commercial terms, which are outlined in the not for publication appendix 3..

6. This will potentially allow the site to be brought back into beneficial use and receipts realised at a much earlier date, and before the end of the current letting.
7. On 20th May 2009 the City Executive Board approved the disposal of St Clement's Car Park to facilitate the development of student accommodation.
8. The developer, Watkin Jones, has now submitted a planning application, and on the 13th July 2011 the West Area Planning Committee resolved to defer the application to allow further public consultation. It is now likely that the application will be reported to a further meeting in September.
9. There is local concern regarding the proposed St Clement's development on the basis of a lack of replacement temporary car parking facilities during the development of the site, and this proposal will additionally enable the taking of a short-term lease of the existing Harcourt House car park to provide that replacement parking. The replacement site is within ½ mile of the shops and businesses in St Clement's.
10. Subject to the consideration of a detailed planning application in due course, planning officers have indicated broad agreement to the Harcourt House location as being suitable for the provision of temporary car parking.

Environmental Implications

11. No direct implications arising out of this proposal.

Risks

12. A risk assessment has been carried out and is attached at Appendix 2.

Financial Implications

13. The entering into of the joint promotional agreement will bring forward the site for early development. On the sale of the property there will be a capital receipt to the Council.

Planning Implications

14. Planning consent will be required for the use of the temporary car parking by the public. An application has been submitted and is likely to be heard at the West Area Planning Committee on 14th September.

Legal Implications

15. The power to dispose of land is contained within Section 123 of the Local Government Act 1972 for best consideration.

Equalities

16. There are no equalities implications arising out of this report.

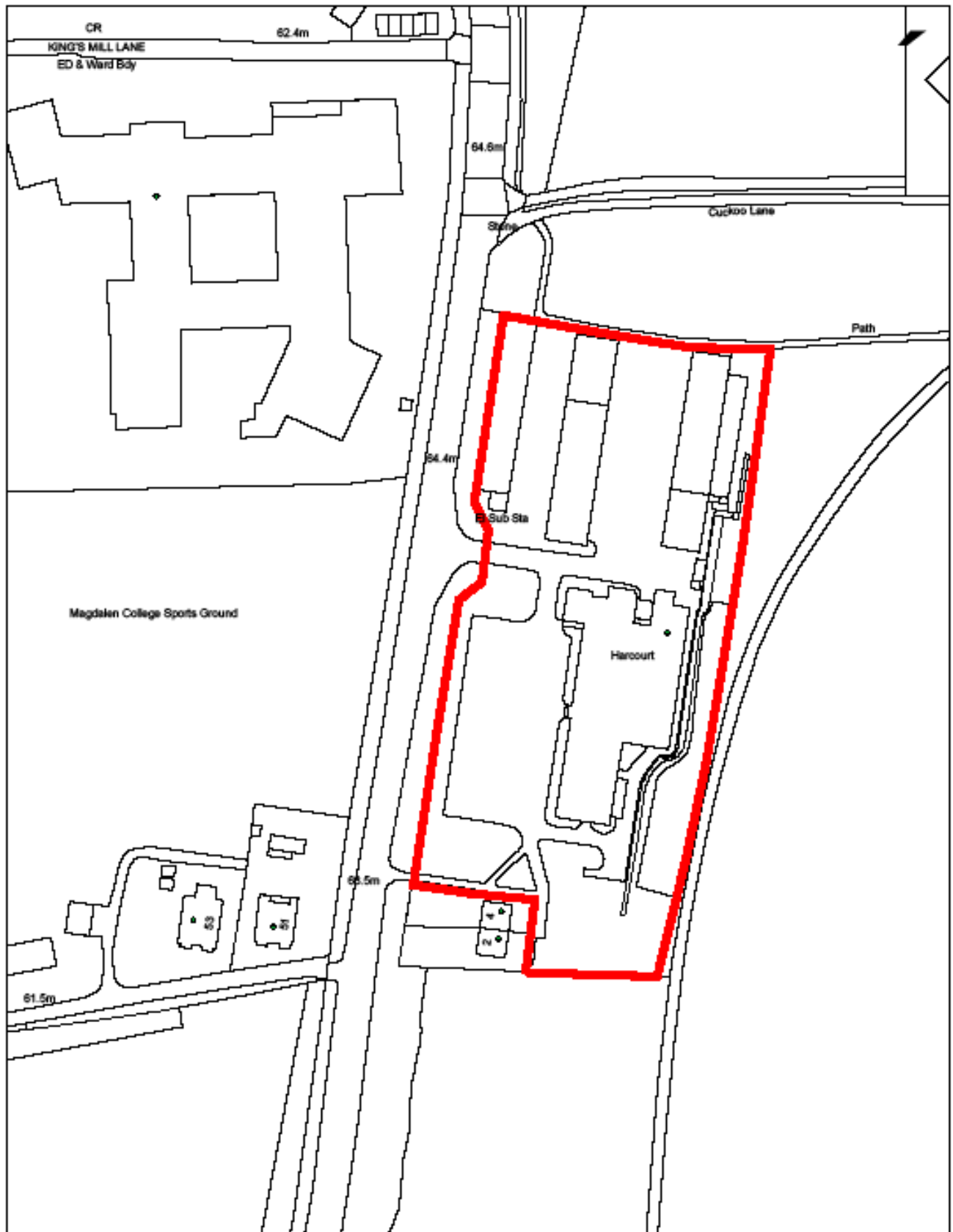
Conclusion


17. The entering into of the joint promotional agreement is linked to the ability to lease the existing car park for temporary use. The sale of the site will bring forward a capital receipt and the development of the site.

Name and contact details of author:

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e-mail: jwinfield@oxford.gov.uk

List of background papers: None
Version number: 2



| | |
|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| <p>Title; Harcourt House</p> |  <p>OXFORD CITY COUNCIL</p> |
| <p>Scale: 1:1,250</p> | |
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Corporate Assets

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Single Member Decision Report Risk Register – Harcourt House, Marston Road – Joint Venture Agreement

| Risk Score Impact Score: 1 = Insignificant; 2 = Minor; 3 = Moderate; 4 = Major; 5 = Catastrophic Probability Score: 1 = Rare; 2 = Unlikely; 3 = Possible; 4 = Likely; 5 = Almost Certain | | | | | | | | | | | | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------|---|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|----------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|--------------------------|---|---|---|--------------|---|
| No. | Risk Description Link to Corporate Objectives | Gross Risk | | Cause of Risk | Mitigation | Net Risk | | Further Management of Risk: Transfer/Accept/Reduce/Avoid | | Monitoring Effectiveness | | | | Current Risk | |
| | | I | P | | | I | P | | | Q | Q | Q | Q | I | P |
| 12 | Failure to agree detailed terms for the joint venture, sub-lease and lease variation | 1 | 3 | City Council or Telereal Trillium have unrealistic expectations. | Mitigating Control: Detailed heads of terms agreed. Level of Effectiveness: (HML) H | 1 | 2 | Action: Further management of risk. Action Owner: Jane Winfield Mitigating Control: Reduce. Transaction to the legally documented as a matter of urgency. Instruct external solicitors to negotiate legal documentation. Action Owner: Jane Winfield | Outcome required: Detail agreed. Transaction completed successfully. Milestone Date: October 2011 | Q | Q | Q | Q | I | P |
| | | 4 | 3 | | | 2 | 2 | | | 1 | 2 | 3 | 4 | | |
| 2. | Failure to gain planning consent for temporary car parking. | 2 | 3 | Local Planning Authority fail to grant consent. | Mitigating Control: Pre-application consultation with Local Planning Authority. Level of Effectiveness: (HML) H | | | Action: External consultants to prepare planning application. Action Owner: Jane Winfield Mitigating Control: Action Owner: Jane Winfield | Outcome Planning consent granted. Milestone Date: | | | | | | |

Appendix 2

| Risk Score Impact Score: 1 = Insignificant; 2 = Minor; 3 = Moderate; 4 = Major; 5 = Catastrophic Probability Score: 1 = Rare; 2 = Unlikely; 3 = Possible; 4 = Likely; 5 = Almost Certain | | | | | | | | | | | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|---------------|---|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-----------------------------|--|--|-----------------|--|
| No. | Risk Description Link to Corporate Objectives | Gross Risk | | Cause of Risk | Mitigation | Net Risk | | Further Management of Risk: Transfer/Accept/Reduce/Avoid | | Monitoring Effectiveness | | | Current Risk | |
| | | | | | | | | | | | | | | |
| 3. | Failure to gain appropriate planning consent in respect of the redevelopment of Harcourt House. | 3 | 3 | Planning application is inappropriate. | Mitigating Control: Pre-application consultation with Local Planning Authority. Level of Effectiveness: (HML) H | | | Action: Reduce/instruct appropriate consultant to provide planning advice and prepare application. Action Owner: Jane Winfield Mitigating Control: Action Owner: Jane Winfield | Outcome Appropriate planning consent granted. Milestone Date: | | | | | |

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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To: Executive Board Member for Finance and Efficiency

Date: 21 September 2011

Report of: Head of Corporate Assets

Title of Report: Installation of Photovoltaic panels on the roof of the Barton Neighbourhood Centre.

Summary and Recommendations

Purpose of report: To seek approval to grant a lease to Barton Community Association (BCA) to allow the Association to install Photovoltaic panels on the roof of the Barton Neighbourhood Centre. The report is presented on the basis of this potentially being a “less than best consideration” transaction, and time being of the essence.

Key decision? No

Executive lead member: Councillor Ed Turner

Report approved by: David Edwards,
Executive Director, Regeneration and Housing

Finance: David Watt
Legal: Steve Smith

Recommendation(s): The Executive Member is recommended to:

1. Approve the principle of a disposal at less than the best consideration as detailed herein.
2. Approve the granting of a lease of part of the roof space at Barton Neighbourhood Centre to enable the installation of Photovoltaic panels as detailed in this report, and otherwise on terms and conditions to be approved by the Head of Corporate Assets.

Appendices Listed

Background

1. This report seeks approval to grant a lease to Barton Community Association (BCA) to allow the Association to install Photovoltaic (PV)

panels on the Barton Neighbourhood Centre owned by Oxford City Council and edged on the plan attached at Appendix 1.

2. BCA have been successful in obtaining a grant of £60,000 from the Department of Energy and Climate Change (DECC) in order to pay for the installation of the panels and have now selected an installer to carry out this work on their behalf.
3. The proposed PV panels are a 13kWh solar photovoltaic array which will be mounted on the south elevation pitch of the Neighbourhood Centre. The array consists of 72 modules, mounted in 4 rows of 18, and each module measures 1.3X1m.
4. Due to recent changes to the Feed in tariff (FIT) brought about by the DECC, BCA must have the PV panels installed and registered with Ofgem before the 1st October 2011 if they are to benefit from both the grant for the installation and the FIT.
5. The FIT is a critical part of this proposal as the BCA will utilise the money generated from selling electricity back to the grid which will assist in funding local community projects and subsequently aid in reducing the carbon footprint of the local area.
6. Negotiations are in progress with the BCA, but as this has the potential to be a “less than best consideration” transaction, and time, as described above, is of the essence, in principle approval is sought to this approach, with final terms then being able to be approved under delegation by the Head of Corporate Assets.

Issues

7. The BCA have applied for planning permission for the installation of the PV panels and a decision is not due until mid September 2011. This is potentially a cause for concern as it does not provide much leeway with timescales to meet the 1st October deadline for the completed installation.
8. To coincide with the planning process and to avoid any undue delay, officers are progressing with heads of terms for a lease of the roof space subject to successful planning permission being granted.

Lease

9. The lease of part of the roofspace as shown in Appendix A, will be for a period of 25 years with all responsibility for upkeep and maintenance of the PV panels and associated feed cabling falling to the BCA. The lease will be for a peppercorn rent and otherwise on terms to be agreed by the Head of Corporate Assets.
10. The rights to lease part of the roof space will also allow for associated cabling to be fed through the building to the control room where the electricity exchange will be housed.

Risk Implications

11. A risk assessment has been undertaken and the risk register is attached as Appendix 2.

Sustainability and Climate Change Implications

12. In granting a lease to BCA for this purpose, the Council will be supporting both Corporate objectives and assisting communities in lowering their carbon footprint.
13. Officers have been informed that the 72 modules will provide up to 13kw of power into the building. Over a year this will provide 11226kWh of electricity which would provide a carbon saving of 5.9 tonnes of CO2 per annum.

Equalities Implications

14. The engagement of the BCA in taking on the lease and the retention of the income derived from the FIT will empower communities to be more active and sustainable in their approach to carbon reduction.

Financial Implications

15. The City Council are currently responsible for meeting the electricity charges of the Barton Neighbourhood Centre, although some of this is re-charged via a service charge to some of the occupiers of the Neighbourhood Centre.
16. With this proposal and the FIT this should have the effect of reducing the electricity bills and energy usage at the Centre. Current details on the costs and energy incurred in 2010/2011 are detailed in Appendix 3.
17. The (estimated) savings on cost and carbon savings are further detailed in Appendix 3.
18. Under this proposal the Council will not receive a rent for the leasing of the roof space as the benefit will be to the Council in lower electricity bills at the Neighbourhood Centre and reduction in the building's carbon output.
19. If the Council were to rentalise the part of the roof space to be leased, a rent in the region of £1000pa would be appropriate. As the Council is to benefit as outlined above, a peppercorn rental is proposed.

Legal Implications

20. The power to dispose of land is contained within S123 of the Local Government Act 1972 for best consideration. The disposal at an undervalue is authorised through the provisions of the published General Disposals Consent 2003.

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List of background papers: Appendix 1 plans showing the property
Appendix 2 risk register
Appendix 3 current costs

Version number: 1

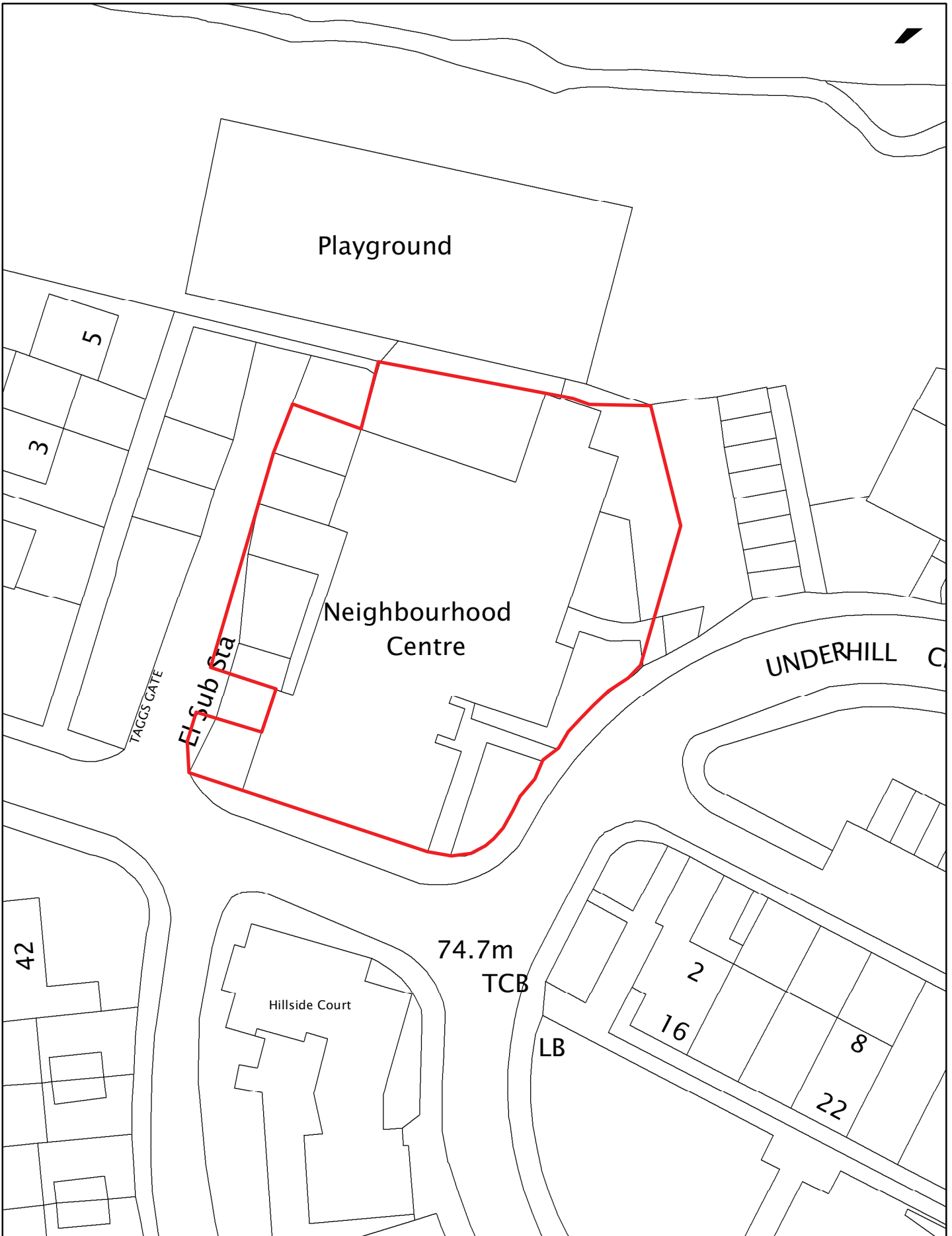
Appendix 2

CEB Report Risk Register – Granting of Lease to Barton Community Association for the roof space at Barton Neighbourhood Centre

Risk Score **Impact Score:** 1 = Insignificant; 2 = Minor; 3 = Moderate; 4 = Major; 5 = Catastrophic
Probability Score: 1 = Rare; 2 = Unlikely; 3 = Possible; 4 = Likely; 5 = Almost Certain

| No. | Risk Description Link to Corporate Objectives | Gross Risk | | Cause of Risk | Mitigation | Net Risk | | Further Management of Risk: Transfer/Accept/Reduce/Avoid | | Monitoring Effectiveness | | | | Current Risk | |
|-----|--------------------------------------------------|------------|---|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|----------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|--------------------------|--------|--------|--------|--------------|---|
| | | I | P | | | I | P | Q | Q | Q | Q | I | P | | |
| 1. | Negotiations fail with BCA. | 3 | 3 | BCA/ OCC fail to agree ON Heads of Terms | Mitigating Control: Close contact during negotiations. Level of Effectiveness: (HML) H | 2 | 2 | Action: Ongoing contact throughout process to ensure parties complete. Action Owner: Ruth Whelan | Outcome Required: Successful negotiation. Milestone Date: September 2011 | Q 1 | Q 2 | Q 3 | Q 4 | I | P |
| 2 | Planning Application refused | 4 | 4 | Application does not meet planning policy or conditions. | Close contact on progress of planning application. Level of Effectiveness: (HML) M | 3 | 3 | Action: Continued liaison with all parties to ensure progress continued. Action Owner: Ruth Whelan | Outcome Required: Planning application approved by mid September 2011. | | | | | | |
| 3. | Reputational risk | 2 | 2 | Decision made to pursue community benefits over an annual rental for the roof space | Mitigating Control: Head of Corporate Assets continues liaison with Lead Members. Level of Effectiveness: (HML) H | 1 | 1 | Action: Liaison with Lead Members and recognition of any change in policy. Action Owner: Steve Sprason Mitigating Control: Control Owner: | Outcome Required: CEB approve detail. Milestone Date: September 2011 | | | | | | |

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Barton Neighbourhood Centre, Appendix 1

Scale: 1:500

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Barton Neighbourhood Centre
Monthly Consumption of Electricity (kWh)
Apr 2010 to Mar 2011

| Item | Data source | Units | Apr 10 | May 10 | Jun 10 | Jul 10 | Aug 10 | Sep 10 | Oct 10 | Nov 10 | Dec 10 | Jan 11 | Feb 11 | Mar 11 | Total pa |
|-----------------------------|------------------------------------|-------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Barton Neighbourhood Centre | 09/00627/OWN 2000027358006 kWh | | 11,030 | 11,397 | 10,215 | 10,281 | 10,281 | 9,950 | 10,281 | 14,226 | 11,414 | 13,914 | 12,975 | 12,541 | 138,505 |
| | Total | | 11,030 | 11,397 | 10,215 | 10,281 | 10,281 | 9,950 | 10,281 | 14,226 | 11,414 | 13,914 | 12,975 | 12,541 | 138,505 |

Following the installation of the PV panels this is estimated to achieve a 11226 kWh electricity consumption saving, circa 6 tonnes of CO₂ resulting in a new expected annual electricity consumption of 127279 kWh.

Monthly Gross cost of electricity (£)
Apr 2010 to Mar 2011

| Item | Data source | Units | Apr 10 | May 10 | Jun 10 | Jul 10 | Aug 10 | Sep 10 | Oct 10 | Nov 10 | Dec 10 | Jan 11 | Feb 11 | Mar 11 | Total pa |
|-----------------------------|--------------------------------------------------------------|-------|--------------|--------------|------------|------------|------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Barton Neighbourhood Centre | Barton Neighbourhood Centre PI Site Total Billed Electricity | £ | 1,033 | 1,065 | 968 | 959 | 980 | 942 | 1,046 | 1,442 | 1,184 | 1,441 | 1,343 | 1,300 | 13,703 |
| | Total | | 1,033 | 1,065 | 968 | 959 | 980 | 942 | 1,046 | 1,442 | 1,184 | 1,441 | 1,343 | 1,300 | 13,703 |

Following the installation of the PV panels this is estimated to achieve a saving of approximately £1100 pa to the Council.

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To: Board Member for Finance and Efficiency
Date: 7 September 2011
Report of: Head of Corporate Assets
Title of Report: Letting of 33-35 George Street, Oxford

Summary and Recommendations

Purpose of report: To seek approval to the letting of 33-35 George Street, Oxford
Key decision? Yes
Executive lead member: Councillor Ed Turner
Report approved by:
Finance: David Watt
Legal: Steve Smith
Recommendation(s): The Executive member is recommended to:

1. Agree to the proposed letting of 33-35 George Street, Oxford to Tenant A as detailed in the not for publication Appendix 3 of this report and otherwise on terms and conditions to be approved by the Head of Corporate Assets.
2. In the event that terms cannot be agreed with Tenant A, that a letting to Tenant B proceed on the terms as set out in the not for publication Appendix 3 of this report and otherwise on terms and conditions to be approved by the Head of Corporate Assets.

Appendices

Appendix 1 - Plan of Site
Appendix 2 - Risk Register
Appendix 3 - Not for publication

Background

1. This report seeks approval to grant a new lease on premises owned by Oxford City Council and hatched on the plan attached at Appendix 1.
2. The property has been, with the exception of several short-term tenancies, empty for some period of time and requires significant internal modernisation and re-organisation of the floor areas as part of the fit-out programme.
3. The approval to the proposed new letting will provide significant additional income to the Council through rent and business rates.
4. In summary, the proposed letting includes:
 - Granting, on commercial terms, a new lease on the terms as set out in the confidential not for publication Appendix 3.
 - The proposed tenant entering into (as part of the lease) an agreement to extend the premises to the rear (subject to obtaining the requisite planning approval) at their own expense to an agreed specification.
 - The tenant carrying out at their own expense considerable internal improvement works to the structure of the premises to improve the condition, layout and future use and changing the planning use to a restaurant (Class A3 of the Town & Country Planning Act 1990)

Issues

5. The property has been an 'under-performing' asset for several years due in part to the requirement for significant capital expenditure necessary to put it into beneficial occupation as well as due to the consequences of the economic downturn.
6. The property is situated on one of the City's most prominent streets and from an asset management perspective needs a secure long-term tenant who will occupy the premises and increase the vibrancy of the street.

Risk Implications

7. A risk assessment has been undertaken and the risk register is attached as Appendix 2.

Sustainability and Climate Change Implications

8. There are no Climate Change Implications.

Equalities Implications

9. An Equalities Impact Assessment will be undertaken if required.

Financial Implications

10. The property currently produces limited income from short-term lettings due to the poor condition of the premises and its out-dated internal layout
11. The proposal, as outlined in the confidential not for publication Appendix 3, will provide a substantial increase in the income received by way of a long-term lease to an established occupier with experience not only of dealing with large refurbishment projects, but also of running a restaurant of the proposed nature and scale.
12. The level of investment/refurbishment proposed by the tenant in improving the condition and layout of the property has long-term financial benefits.
13. The letting will produce valuable evidence of rental value.
- 14 The tenant will pay the Council's reasonable legal and surveyors fees incurred.

Legal Implications

15. The power to let the premises is contained within S123 of the Local Government Act 1972 for best consideration. The property has been fully marketed with appropriate certification from the Council's advisors being provided.

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Version number: 1

Appendix 1 - Plan of Premises



33- 35 George Street, Oxford

Appendix 2 CEB Report Risk Register – Approval to grant a lease on 33-35 George Street. Oxford

Risk Score **Impact Score:** 1 = Insignificant; 2 = Minor; 3 = Moderate; 4 = Major; 5 = Catastrophic
Probability Score: 1 = Rare; 2 = Unlikely; 3 = Possible; 4 = Likely; 5 = Almost Certain

| No. | Risk Description Link to Corporate Objectives | Gross Risk | | Cause of Risk | Mitigation | Net Risk | | Further Management of Risk: Transfer/Accept/Reduce/Avoid | | Monitoring Effectiveness | | | | Current Risk | |
|-----|--------------------------------------------------|------------|---|----------------------------------------|------------------------------------------------------------------------------------------------------------|----------|---|-------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------|---|---|---|--------------|---|
| | | I | P | | | I | P | | | Q | Q | Q | Q | I | P |
| 1. | Negotiations fail with proposed Tenant A | 3 | 3 | Tenant/OCC fails to agree legal terms. | Mitigating Control: Close contact during procurement process. Level of Effectiveness: (HML) H | 2 | 2 | Action: Ongoing contact throughout process to ensure parties still interested. Action Owner: Chris Cocks | Outcome Required: Successful negotiation. Milestone Date: October 2011 | 1 | 2 | 3 | 4 | | |

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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