

**OXFORD CITY COUNCIL
EXECUTIVE BOARD
7 FEBRUARY 2005**

Report of: Financial & Asset Management Business Manager

Title: **DISPOSAL - 68 HOLLOW WAY**

Ward: Cowley Marsh/Lye Valley

Report Author: Peter Chilton
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Key Decision: No

Lead Member: Councillor Alex Hollingsworth

Scrutiny Responsibility: Finance

RECOMMENDATIONS

That the Executive Board agrees to:

Instruct the Financial and Asset Management Business Manager to market this property and report the offers.

1. This report deals with a proposal to market the property at 68 Hollow Way and arises from a review of the Council's surplus property assets. This report arises because this property meets the criteria for disposal.
2. This report supports the Council's vision because it helps to maintain the Council's financial stability.

Background

3. 68 Hollow Way is a single storey, detached, vacant, Council owned lock-up shop property, built in the 1920's. It stands next to a parade of privately owned two storey properties with a shop on the ground floor with an upper floor used as residential accommodation or storage. A plan is attached to show the property edged black on the plan at Appendix A.
4. The property was last used as a printers shop until 2001. The lessee then absconded without meeting his rent or repairing obligations. It has not been possible to re-let the property because of its poor condition. The property continues to deteriorate and cause management difficulties.

5. The property is a stand-alone unit. The Council do not have an ownership interest in any of the adjoining properties or others in the immediate area.
6. In its existing condition (before refurbishment) the property is estimated to have a value of £33,000. After a refurbishment (estimated to cost about £25,000) the property will then have a market value of £58,000 and would achieve a rental of £4,750 per annum.
7. In its current condition the Council has no use for the property. It is expected that a purchaser is most likely to demolish the existing building and rebuild it as a two-storey structure, either as two flats or as a flat over a shop.
8. The site (after demolition of the property) has an estimated value of £66,000 for a shop with an A1 use planning consent plus a flat. The value will be higher if the purchaser can obtain a more valuable development as two flats rather than a shop with a flat.
9. In the Asset Register the property has a book value of £60,000 and it is anticipated that the property will attract offers around this level.

Financial Implications

10. It is expected that the value of the site remains at around £60,000 whether or not the refurbishment costs of circa £25,000 are expended.
11. The disposal of this property, if agreed, will result in a capital receipt to the Council.

Legal Implications

12. Section 123 of the Local Government Act 1972 requires that a disposal is for the best consideration available. There are no other legal implications to consider.

Staffing Implications

13. The subject matter of this report has no additional staffing implication.

Conclusion

14. Authority is therefore requested to market for sale by open public tender the Council's freehold interest in 68 Hollow Way. Details of the offers will be reported at a subsequent meeting for a decision on a disposal.

Timetable

15. If approval is obtained the property will be marketed with a tender deadline of late March 2005 with the results being reported in April/May 2005.

Appendices

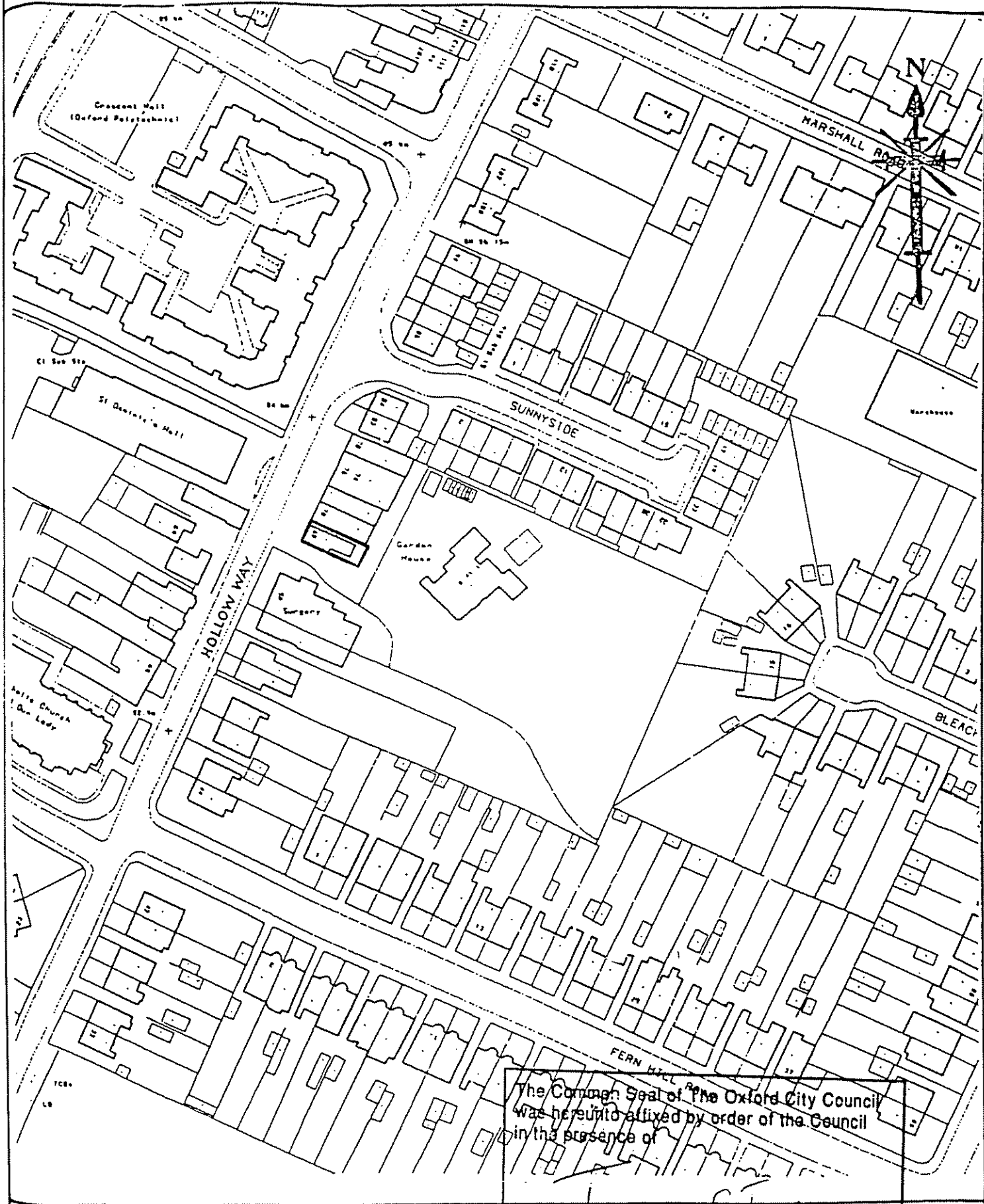
Appendix A – Plan of the property

THIS REPORT HAS BEEN SEEN AND APPROVED BY:

Portfolio Holder: Councillor Alex Hollingsworth
Strategic Director: Mark Luntley

Legal and Democratic Services: Julie Thomlinson
Financial Management: Paul Sheppard

Background Papers: None



The Common Seal of The Oxford City Council
 was hereunto affixed by order of the Council
 in the presence of

Joanna Clark

.....
 HEAD OF LEGAL AND CORPORATE SERVICES

TITLE
68 HOLLOW WAY

SCALE: 1/1250

16.4

The material in this plot has been reproduced from an Ordnance Survey map with permission of the Controller of Her Majesty's Stationery Office

OXFORD CITY COUNCIL
 John Arnold, FRICS
 Director of Property & Leisure

