

**To:** City Executive Board

**Date:** 9<sup>th</sup> September 2009 **Item No: 15**

**Report of:** Interim Head of Property & Facilities Management

**Title of Report:** Bury Knowle Library, Headington - Lease Renewal

### Summary and Recommendations

**Purpose of report:** To recommend terms for the renewal of the lease of the ground floor accommodation at Bury Knowle House, as shown on the attached plan, at less than best consideration.

**Key decision** No

**Executive lead member:** Councillor Oscar van Nooijen – Service Transformation

**Report approved by:** Melbourne Barrett – Executive Director, City Regeneration

**Finance:** Sarah Fogden/Penny Gardner  
**Legal:** Jeremy Thomas

**Policy Framework:** Transforming Oxford City Council by improving value for money and service performance. Improve the local environment, economy and quality of life.

**Recommendation(s):** City Executive Board is recommended to:

1. Grant a lease for 21 years to Oxfordshire County Council at the rent figure shown in the attached confidential appendix, being a rent at less than best consideration, the other principal terms to be as outlined in the report.

## Background

1. The City Council owns the freehold of Bury Knowle House, Headington, which is a grade II listed building, comprising office accommodation on the ground and first floor with storage in the basement. Oxfordshire County Council has occupied part of the ground floor and basement of the building as a library since 1974. The current lease is for a term of 10 years from 1 April 1999 at a present rent of £16,300 per annum. (Last reviewed April 1996) The County Council is currently holding over under this lease. The offices on the upper floor have recently been upgraded by the City Council, and are now occupied by City Leisure staff.
2. In order to improve the library facilities and comply with the requirements of the Disability Discrimination Act, Oxfordshire County Council proposes to construct an extension at the rear of the ground floor to provide an accessible entrance with a platform lift and toilet. Planning and Listed Building consent has been obtained for this work, which is planned to start in September. The current ground floor library accommodation will also be refurbished as part of the scheme.

## Proposed lease

3. It is proposed that on completion of the works (programmed for March 2010), the County Council will be granted a new lease of the upgraded accommodation for 21 years at the rent shown in the confidential appendix, reviewable after the first six years, and every five years thereafter, on an internal repairing basis, a proportion of the costs incurred by the City Council in maintaining the building will be recoverable via an additional service charge. A large basement room, which forms part of the current library accommodation, will be handed back to the City Council, so there will be a reduction in the amount of space leased to the County.
4. Under the terms of the proposed lease, (as in the current lease), the use of the accommodation will be restricted to that of public library and ancillary office. The effect of this restriction is to reduce the rent of the space by 50% (based on its rental value as offices), which is in line with settlements the County Council has agreed with landlords of library space elsewhere in Oxfordshire. As this is effectively a disposal at less than best consideration, as defined in Section 123 of the Local Government Act, 1972, it requires the agreement of City Executive Board, under paragraph 4.5 of the Constitution.

## Climate change/Environmental Impact

5. The new extension will meet current Building Regulations.

## Equalities Impact

6. The extended library will be accessible to all users

### Risk Level

7. A risk assessment has been undertaken and the risk register is attached as Appendix 1. The risk is assessed as Level 1 – Insignificant.

### Financial Implications

8. The Council is in effect grant aiding the rent of the Library in line with Council Policy. Finance will recognise the full rental as income in the accounts and offset with a notional payment from the Community Grants budget.

### Legal implications

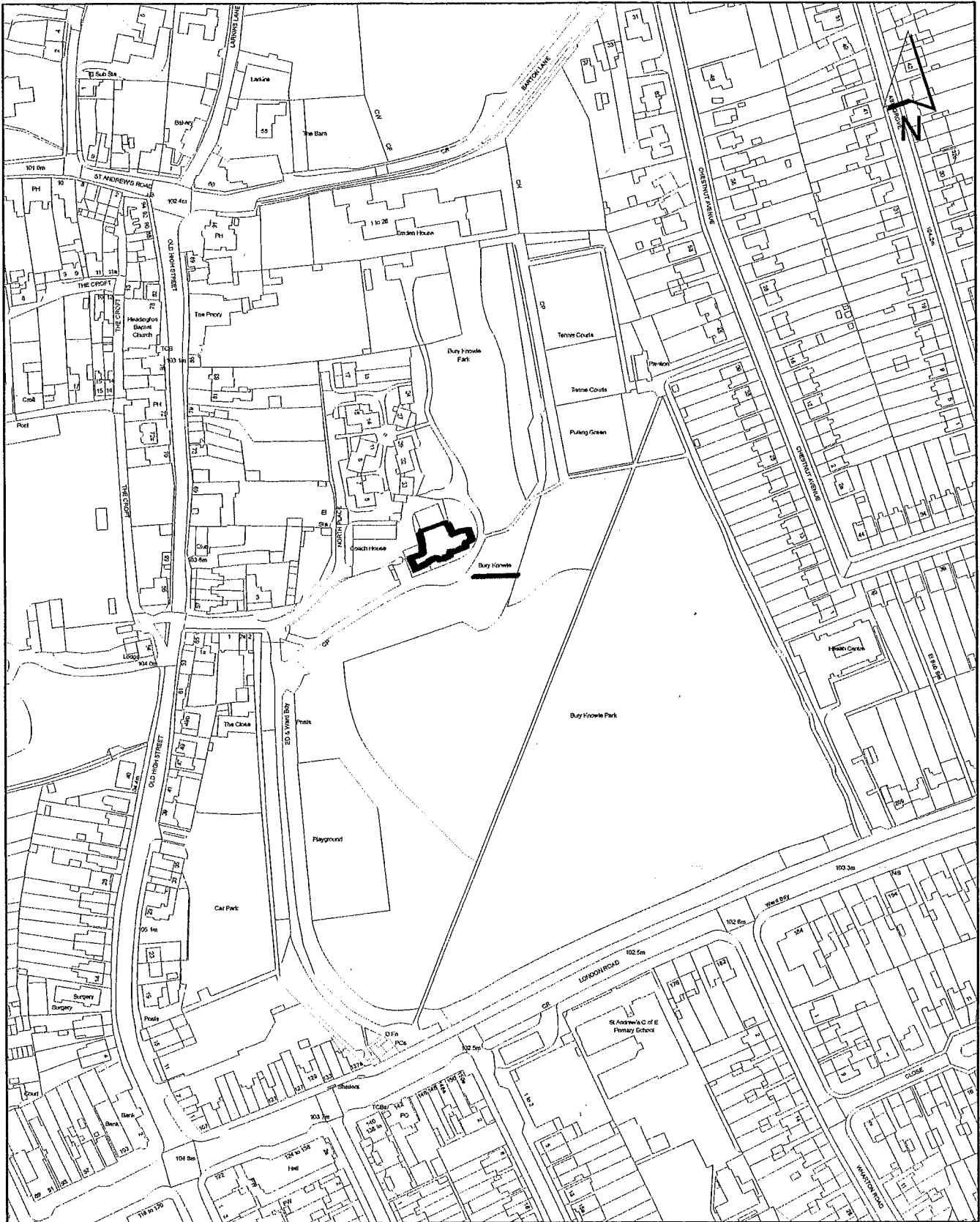
9. The General Disposal Consent 2003 permits the Council to dispose of General Fund property at less than best consideration, so no express consent is required from the Secretary of State.

### Recommendation

10. To grant a lease for 21 years to Oxfordshire County Council at the rent figure shown in the attached confidential appendix, being a rent at less than best consideration, the other principal terms to be as outlined in the report.

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**List of background papers:**  
**Version number:** 2



Title; Bury Knowle House

Scale: 1:2,500

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Property & Facilities Management



15-4

CEB Report Risk Register

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	Failure to complete lease upon agreed terms and conditions.	2	2	Worsening economic climate.	Mitigating Control: Tight control of completion of legal process/timescales for completion Level of Effectiveness: (H)	1	1	Action: There is little probability of the lease not being completed.	Outcome required: Lease completion. Milestone Date: As soon as possible	1	2	3	4		

15-5