

To: City Executive Board

Date: 9th September 2009 **Item No:** 19

Report of: Interim Head of Property & Facilities Management

Title of Report: 21 & 23 MANOR ROAD, SOUTH HINKSEY, OX1 5AS

Summary and Recommendations

- Purpose of Report:** This report seeks approval to the terms for the disposal of the freehold interest of 21 & 23 Manor Road, South Hinksey, as shown edged on the plan attached as Appendix 1. It follows a decision by Executive Board on 23rd July 2008, which approved the principle of disposal and marketing of the property.
- 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:** Transform Oxford City Council by improving value for money and service performance.
- Recommendation(s):** City Executive Board is recommended to:
1. Approve a disposal of the Freehold interest in Lower Lodge at the highest bid as shown in the attached confidential appendix, from which the costs of sale will be deducted, and otherwise on terms and conditions to be approved by the Interim Head of Property & Facilities Management. In the event that the proposed purchase does not proceed at this level, the Board is requested to authorise the Interim Head of Property & Facilities Management to proceed with a sale at or above open market value.

Background

1. The disposal of these properties follows the full Council approval on 5th August 2008 from the 23rd July City Executive Board paper to exchange Bullingdon Green Cottage into HRA and 23 Manor Road into the General Fund. There was a condition placed that out of the capital receipt from the sale of 21 & 23 Manor Road that £25,000 was to be used to fund the works required to Bullingdon Green Cottage.

Report

2. These two properties were intensively marketed by Breckon and Breckon over a 4-week period with over 100 viewings taking place during this time.
3. The properties were marketed as a single lot as well as individually. A total of 21 offers were received for the properties during the course of marketing, those offers being as set out in section 1 of the "Not for Publication" Appendix to this report.
4. Prior to the properties being marketed by the external agent, an open market valuation was carried out. The current open market valuation is detailed in section 2 of the Appendix.
5. City Executive Board is requested to permit the Interim Head of Property & Facilities Management to proceed with a sale, at or above the figure in section 2 of the Appendix.

Environmental Implications

6. The property is located within the extent of extreme flood but there will be no direct environmental implications arising out of this report.

Planning Implications

7. The property is located outside Oxford City Council's planning boundaries and is within the Vale of White Horse District Council.
8. The property is currently split into 2 separate dwellings. The highest bid received is for both properties and the purchaser wishes to convert both properties back into a single dwelling.

Financial Implications

9. The disposal will generate a significant capital receipt and relieve the Council of the costs of holding a vacant property. The Council's legal and surveyors fees will be deducted from the purchase price.
10. The sum of £25,000 will also be used from the capital receipt to fund works at Bullingdon Green Cottage.

Legal Implications

11. The Council's powers to dispose of land comprised within the General Fund are contained within Section 123 of the Local Government Act 1972 for best consideration.
12. Secretary of State consent is not required for the disposal of these properties.

Equality Implications

13. There are no direct equality implications arising from this report.

Risk Implications

14. A risk assessment has been undertaken and the risk register is attached at Appendix 2.

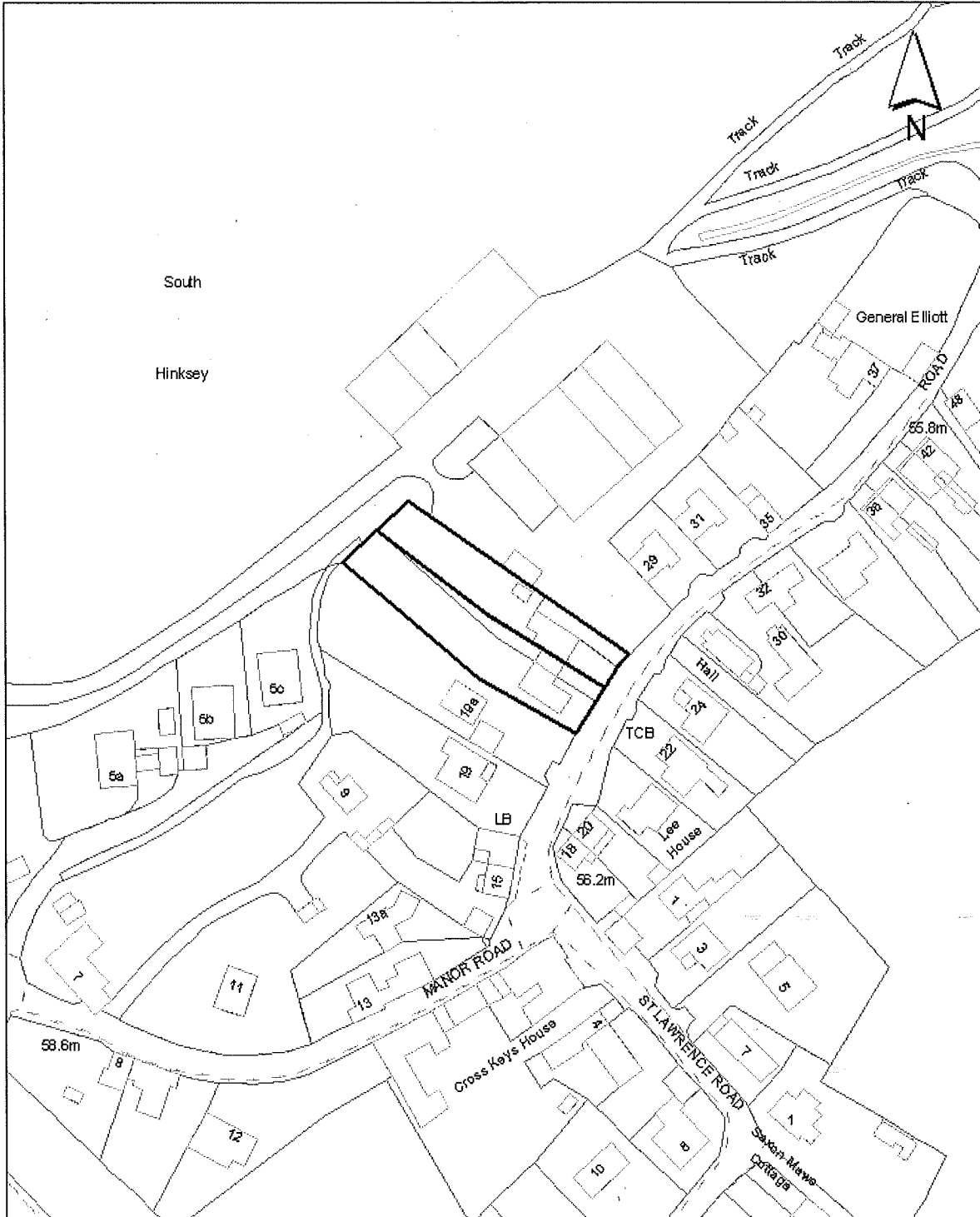
Recommendations


15. City Executive Board is recommended to approve acceptance of the highest bid. In the event that the proposed purchase does not proceed at this level, the Board is requested to authorise the Interim Head of Property & Facilities Management to proceed with a sale at or above open market value.

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Background papers: Report to Executive Board dated 23rd July 2008.
Council Report 5th August

APPENDIX 1



21 Manor Road, Oxford, OX1 5AS	
Scale: 1:1,250	
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19-4

APPENDIX 2

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
1	Failure to complete sale at agreed price.	I 2	Worsening economic climate. Deterioration in purchasers financial health/appetite to purchase.	Mitigating Control: Level of Effectiveness: (HML) Tight control of completion of legal process/timescales for completion (H). Financial checks undertaken on purchasers financial status (M).	I 2	Action: Revert to grant of lease/revenue income in the event sale does not proceed within acceptable timescales. Action Owner: Edward Green Mitigating Control: Regular monitoring of progress of legal process in conjunction with legal colleagues. Control Owner: Edward Green	Q 1 ☹️ Q 2 ☹️ Q 3 ☹️ Q 4 ☹️ Q 5 ☹️	I P

19-5