

Agenda Item

Executive Board

6 October 2010

CB



Sale of Globe House, Woodbury

Exempt Information

Para 3 Schedule 12A information relating to the finance or business affairs of any particular person (including the authority holding that information).

Summary

The Portfolio Holder (Communities) agreed that this property should be declared unsuitable for Council accommodation, due to the impracticability of bringing it to "Decent Homes" standard, and that upon the tenants being re-housed and also one private owner transferring her interest to the Council, the property should be marketed with vacant possession.

The building has now been marketed and two offers have been received by way of sealed bids.

Both of the bids are supported with sufficient financial information to demonstrate that both purchasers are in a position to proceed with the purchase.

Recommendation

That Globe House is declared surplus to requirement, and sold to the higher of the two bids received dated 17th September 2010, for the sum of £265,500 and submitted by Andrew Sutton, provided that exchange of contracts takes place within three weeks of submission

a) Reasons for Recommendation

The sale will produce a substantial capital sum. The cost of improving the property to the Decent Homes Standard is prohibitively high.

b) Alternative Options

Refusal of the request.

c) Risk Considerations

There would appear to be no risk in agreeing the request

d) Policy and Budgetary Considerations

Potential Negative Impact

Affordable Homes.

e) Date for Review of Decision

December 2010

1 Main Body of the Report

- 1.1 In response to a request, the Portfolio Holder (Communities) authorised the Housing and Social Inclusion Service to proceed with the disposal of this property, for the reasons stated in the attached report.
- 1.2 We have received an offer of £265,500 from Andrew Sutton and his offer is supported by financial information, which appears to confirm that he is able to proceed without delay. Additionally, he has already had the result of a private survey carried out by an RICS qualified surveyor.
- 1.3 This sale would produce a capital sum in the region of £158,000 once the costs associated with the re-purchase of the freehold interest in Flat No 4 and the Estate Agent fees are taken in consideration. Any stamp duty will be paid by the purchaser.
- 1.4 We would ensure a prompt exchange of contracts in connection with this sale.

Legal Implications

The prospective sale would appear to represent Best Value under Section 123, Local Government Act 1972 and this Executive Board are, accordingly requested to authorise this transaction as required by the Council's constitution.

Financial Implications

The financial implications are included in the report.

Background Papers

- 1:500 Plan
- Copy of PH Report dated 3 December 2009
- Initial report from Meadows dated 24th February 2010
- PH decision notice in Knowledge
- Copy of Meadows information leaflet
- Copy of e mail from Senior Estates Surveyor dated 2 September 2010
- Copy of offer submitted by Mr Andrew Sutton dated 17th September 2010

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