



## Report for Leader decision (Accessible Housing and Resources portfolio)

<b>Decision Date:</b>	2 May 2024
<b>Reference number:</b>	FR03.24
<b>Title:</b>	<b>Disposal of former Tilehouse Centre, Denham</b>
<b>Cabinet Member(s):</b>	Cllr John Chilver - Accessible Housing and Resources
<b>Contact officer:</b>	Jo West
<b>Ward(s) affected:</b>	Denham – Councillors J Chhokar, S Chhokar and G Hollis
<b>Recommendations:</b>	<b>The Director of Property &amp; Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to dispose of the site in accordance with the offer detailed in the confidential appendix</b>
<b>Reason for recommendation:</b>	Property and Assets have been asked to seek options for the sale of the surplus site known as the former Tilehouse Day Opportunity Centre (“the Site”). This option realises the Council’s statutory obligations to achieve best consideration from surplus assets.


### **1. Executive summary**

- 1.1 The freehold of the Site is held by Buckinghamshire Council under title number BM9983.
- 1.2 The Site was declared surplus by Adult Social Care in 2015.
- 1.3 A development scheme was designed for 7 houses which the Council submitted an outline planning application for in July 2021. The Council and the Planning Committee agreed a deferral of the case (and subsequent withdrawal) due to interest in the site from the Parish Council.

- 1.4 The Council spent a considerable amount of time negotiating with the Parish Council trying to find a workable solution. Unfortunately, the Parish Council failed to produce a viable business plan for the site and Cabinet Members agreed to the disposal of the site.
- 1.5 The site was marketed for 6 weeks from mid-January 2024 to 1<sup>st</sup> March 2024. The Parish Council were sent details for the property and given equal opportunity to bid for the site but failed to do so. The offers received can be seen in the summary in the confidential part of this report along with the commentary from the selling agent.
- 1.6 Authority is now needed to accept the recommended offer and proceed with legal due diligence.

## **2. Main body of report**

### **Background information**

- 2.1 The site is situated in Denham Ward. It measures 2720 square meters (0.67 acres) and has been vacant since the former Tilehouse Day Opportunities Centre was declared surplus in 2015.
  - 2.2 A scheme was submitted for outline planning permission and was discussed at Planning Committee following an Officers Recommendation to approve.
  - 2.3 Due to political representations, the application was withdrawn in order to allow for negotiations with the Parish Council. The Parish Council submitted a proposal for the site, a community centre for people with dementia and their carers. Adult Social Care considered the need for such a facility in the area and deemed that there was no requirement because demand could be met by other facilities. Concerns were raised that without the demand for their services, the facility would not be sustainable and there was a high risk that in the future the Council would have to fund a facility it had previously deemed unnecessary.
  - 2.4 When it became apparent that there was no agreeable resolution to the negotiations, the Cabinet Members for Accessible Housing & Resources and Health & Wellbeing, in consultation with the Leader of the Council, agreed that the Council should market the Site for disposal.
  - 2.5 The site was marketed for a period of six weeks (including to Affordable Housing providers) with best and final offers received on the 1<sup>st</sup> March 2024.
  - 2.6 There has been ongoing dialogue with the Parish Council and Local Members since the decision was made to market the property. The Parish Council were sent the details (2<sup>nd</sup> February 2024) and offered the opportunity to bid for the site. Local
- 

Members have received updates on the process following the bid process (14<sup>th</sup> March 2024).

### **3. Other options considered**

- 3.1 Accept the proposal from the Parish Council. In consultation with Adult Social Care, it was determined that such a community-based resource was not required to meet statutory Adult Social Care need. Accepting their proposal would result in a loss to the Capital Budget and the potential to have to fund the facility if it became unsustainable for the Parish Council in the future. This option is therefore not recommended.
- 3.2 Resubmit the Planning Application to ensure best value without a delay to capital receipt. There is a risk that the Planning Committee will reject the application which will leave the Council in the same situation (i.e. trying to dispose of the site) but with a rejected application on the record. This will devalue the site. There will be a time and cost to this option without a guarantee of a successful disposal. This option is therefore not recommended.
- 3.3 Do nothing. The building condition will continue to deteriorate and become unsightly. It is likely to become a further target of vandalism. This would negatively impact the MTFP (Medium Term Financial Plan) by £600,000 (see financial implications). This option is therefore not recommended.

### **4. Legal and financial implications**

#### Financial implications

- 4.1 Capital MTFP: A capital receipt of £600,000 is currently budgeted for in the MTFP. The recommended disposal will exceed this target, and the surplus income will be fed into next year's funding workings for the Capital MTFP.
- 4.2 Revenue MTFP: There are no ongoing revenue costs or savings associated with the disposal. To facilitate the disposal of the site, a one-off allocation of £124,000 was set aside from the Strategic Asset Development (earmarked) reserve (now part of the Capital Feasibility Reserve), via a Property Board consultation. Of this, £85,000 has been spent on the withdrawn planning application (including surveys, architects and planning advice). The remaining reserve allocation will be sufficient to fund the disposal (marketing and conveyancing costs).

#### Legal Implications

- 4.3 It is the duty of a local authority to obtain best consideration for its assets in accordance with Section 123 of the Local Government Act 1972. Part 2 of this report

summarises the various offers received for the Site which demonstrates that the Council is endeavouring to comply with its “best consideration” duty.

- 4.4 There are three tree preservation orders affecting the Site. The recommended offer is subject to TPO’s not affecting the development. The recommended buyer has confirmed that the only TPO’s on site will not affect their development plans, and therefore will not affect their offer.
- 4.5 This report requires delegation from Leader of the Council to the Director of Property and Assets to approve disposal of the site, in consultation with the relevant portfolio holders.
- 4.6 The legal implications of this report are set out fully in paragraphs 4.3 and 4.4 above. It is advised that the disposal of this land shall provide best consideration for the Council under Section 123 of the Local Government Act 1972 Due diligence will be carried out by legal officers to ensure the terms of the offers received and the aims of this report are met. If they cannot be met, a further Cabinet decision will be required before the disposal of this land can proceed.

#### **4a Director of Legal & Democratic Services comment**

The Director’s nominee has considered the report and notes the legal implications contained in the body of the report and the confidential appendix and has no further comments.

#### **4b Section 151 Officer comment**

The sale of this site is an assumed capital receipt in the Capital Programme. Should the decision be made to not dispose of the site, then alternative receipts will need to be delivered to maintain the funding for the Capital Programme.

### **5. Corporate implications**

#### 5.1

- a) Property – disposal of a surplus asset to support the Capital Programme
- b) HR - none
- c) Climate change - none
- d) Sustainability - none
- e) Equality (does this decision require an equality impact assessment) - none
- f) Data (does this decision require a data protection impact assessment) - none

- g) Value for money – this option has demonstrated best value through completion of the full marketing campaign
- h) Health & Safety – the building is at risk of becoming a H&S hazard as it deteriorates.

## **6. Local councillors & community boards consultation & views**

- 6.1 Councillors Hollis and Chhokar(s) are supportive of the Parish Council offer.

## **7. Communication, engagement & further consultation**

- 7.1 A communication plan is included with this report.

## **8. Next steps and review**

- 8.1 If the recommended option is accepted, the next steps would be to instruct solicitors to deal with conveyancing.
- 8.2 Contracts would be exchanged in 8 weeks.
- 8.3 The buyer would submit a planning application within 3 months.
- 8.4 Final payment and completion of contracts would be within 4 weeks of a satisfactory planning permission (expected to be 12-18 months).

## **9. Background papers**

- 9.1 None.

## **10. Your questions and views (for key decisions)**

- 10.1 If you have any questions about the matters contained in this report, please contact the author of this report. If you have any views that you would like the cabinet member to consider, please inform the democratic services team. This can be done by email to [democracy@buckinghamshire.gov.uk](mailto:democracy@buckinghamshire.gov.uk) by 5pm on 30 April 2024.