

Agreement to lease and new lease of 51 flats at Bushfield Court, Orton Goldhay, Peterborough

Councillor Peter Hiller: Cabinet Member for Strategic Planning and Commercial Strategy and Investments, and **Councillor Steve Allen:** Cabinet Member for Housing, Culture and Recreation

April 2020

Deadline date: N/A

Cabinet portfolio holder: Responsible Director:	Councillor Peter Hiller, Cabinet Member for Strategic Planning Commercial Strategy and Investments, and Councillor Steve Allen, Cabinet Member for Housing, Culture and Recreation Pete Carpenter Acting Corporate Director of Resources
Is this a Key Decision?	YES If yes has it been included on the Forward Plan: YES Unique Key decision Reference from Forward Plan: KEY/27APR20/03
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	YES There is an exempt annex with the financial details of the lease and associated costs.
Is this a project and if so has it been registered on Verto?	NO

RECOMMENDATIONS

The Cabinet Member is recommended to:

1. Approve an agreement to lease and new lease of 51 flats at Bushfield Court at Local Housing Allowance rates for a term of 5 years.
2. Approve payment of associated Stamp Duty Land Tax and professional fees.

1. PURPOSE OF THIS REPORT

- 1.1 This report is for Councillor Peter Hiller and Councillor Steve Allen to consider exercising delegated authority under paragraph 3.4.3 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (q) and (b) respectively.
- 1.2 The attached report/background information is NOT FOR PUBLICATION in accordance with paragraph (s) 3 of Schedule 12A of Part 1 of the Local Government Act 1972 in that it contains information relating to financial information, namely financial information relating to Bushfield Court. The public interest test has been applied to the information contained within the exempt annex and it is considered that the need to retain the information as

exempt outweighs the public interest in disclosing it as commercial negotiations regarding the purchase of this property are ongoing and therefore it is not appropriate for the financial details to be made public at this juncture

2. **TIMESCALES**

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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3. **BACKGROUND AND KEY ISSUES**

- 3.1 Peterborough City Council has made good progress in reducing the numbers of homeless over the last year; however, there is still an ongoing requirement for housing that can be used for temporary accommodation, especially where it can be leased at Local Housing Allowance (LHA) rates.

The flats at Bushfield Court have been leased to a housing association and the lease terminates in April 2020. When the landlord takes back possession there will be a programme of refurbishment and (subject to any unexpected delays with the building trade) the aim is for the properties to be ready for occupation in early 2021.

A specification of works has been prepared, which will be appended to the agreement to lease.

Once building works reach practical completion, PCC's surveyor will inspect to ensure the works have been carried out to a satisfactory standard, prior to occupation.

4. **CONSULTATION**

- 4.1 The ward councillors have been consulted in relation to this proposal prior to the recommendation being made.

5. **ANTICIPATED OUTCOMES OR IMPACT**

- 5.1 This report will set out the necessary governance to allow the Council to commit to an agreement to lease; once that is in place the landlord will carry out his program of refurbishment prior to the commencement of the lease.

6. **REASON FOR THE RECOMMENDATION**

- 6.1 The Council needs additional housing for temporary accommodation and there is an opportunity to lease 51 flats in one location at LHA rates.

7. **ALTERNATIVE OPTIONS CONSIDERED**

- 7.1 The alternative option considered was to acquire a long leasehold of the properties. This option has been discounted because the requirement for temporary accommodation may be very different in five years' time. A purchase would not align with the Council's Asset Management Plan, given the significant investment required by the landlord to bring the property up to a compliant standard.

8. **IMPLICATIONS**

Financial Implications

- 8.1 The financial implications will be captured in the exempt annex to this report.

Legal Implications

- 8.2 Following the approval of this report, an agreement to lease and lease will be agreed with the landlord. There may be a requirement to procure a housing management company to manage this block of flats.

Equalities Implications

- 8.3 Not applicable.

Carbon Impact Assessment

- 8.4 In summary, this is an existing building which will be occupied by the Council further to the landlord's refurbishment works. There are no carbon offsetting works as such but there will be some replacement of old windows which will be done in line with modern building regulations. Occupying an existing building with its embodied carbon as opposed to building new could be seen as a positive step. However, the Council's carbon emissions will directly increase as a result of this decision.

9. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

- 9.1 None.

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

- 10.1 No background documents were used to prepared this report.

11. APPENDICES

- 11.1 Appendix 1 - Exempt