

REQUEST FOR DMPC DECISION – DMPCD 2015-01**Title: 18 HILTON WAY, SANDERSTEAD - DISPOSAL****Executive Summary:**

The property 18 Hilton Way, Sanderstead in south Croydon is a vacant residential property which is surplus to requirements. It was purchased from the Urban District Council of Coulsdon and Purley, (now London Borough of Croydon) in 1957. Under the terms of the sale when MOPAC wishes to dispose of the site it must first offer it to London Borough of Croydon. The proposal is that the site is disposed of to Croydon council under the terms and price as set out in Part 2

Recommendation:

The DMPC is asked to approve the disposal to Croydon council of the freehold interest in 18 Hilton Way, Sanderstead on the terms and at the price set out in Part 2

Deputy Mayor for Policing and Crime

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct for elected Members of the Authority. Any such interests are recorded below.

The above request has my approval.

Signature



Date

11/1/2015

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC

Decision required – supporting report

1. Introduction and background

- 1.1 In 1957 the Receiver of the Metropolitan Police District (now MOPAC) bought 6 properties from the Urban District Council of Coulsdon and Purley, (now London Borough of Croydon), including 18 Hilton Way, Sanderstead.
- 1.2 The legal transfer of the property included a restriction on the title requiring that should the Receiver or its successors in title wish to sell one or more of the properties it must first give the Council the option of purchasing the same on terms as set out in the Transfer before the property could be sold to any other party. The terms of the option are detailed in Exempt Appendix 2.

2 Issues for consideration

- 2.1 Croydon were informed of the MOPAC intention to dispose of this site and given the option to buy back the site. Croydon has accepted the option and a price has been agreed.
- 2.2 Croydon advise that after completion of the sale and refurbishment the site will be added to the council's housing stock.

3 Financial Comments

- 3.1 If approved, the disposal receipts will contribute to funding the MOPAC Capital Programme.
- 3.2 Annual revenue maintenance costs of £1,035 p.a. will be saved.

4 Legal Comments

- 4.1 The MOPAC has power to dispose of surplus properties (including land) under paragraph 7(2)(b) of Schedule 3 of the Police Reform and Social Responsibility Act 2011 ("The Act"). MOPAC may also do anything which is calculated to facilitate or is conducive or incidental to the exercise of the functions of the office under paragraph 7(1) of Schedule 3 of that Act.
- 4.2 S4(5) of the Act provides staff under the direction and control of the Commissioner can assist the MOPAC to exercise that Office's functions.
- 4.3 The MOPAC scheme of consent and delegation provides the Director of Property Services with authority to dispose of land or property on behalf of the MOPAC, in accordance with the Estates Strategy, for all transactions with an estimated value of less than £1 million where the properties have been referred to in the annual schedule submitted to the MOPAC prior to the beginning of each financial year. This report confirms the property does not exceed this figure.
- 4.4 The report confirms the property is surplus to requirements and that final approval to the sale has been referred to the DMPC for approval due to the restrictions on title preventing the property being offered for sale on the open market.
- 4.5 On the basis of the information contained within this report and discussions with Property Services, DLS are supportive of the proposed recommendations.
- 4.6 The disposal will be subject to contract and external lawyers will be instructed through MetLaw (DLS) to complete the conveyance.

5. Equality Comments

- 5.1 No Equality and Diversity impacts have been identified

6. Background/supporting papers

- 6.1 Appendix 1

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the MOPAC website within 1 working day of approval. Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. Deferment is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of this form to be deferred? NO

If yes, for what reason:

Until what date (if known):

Is there a part 2 form – YES

If yes, for what reason: Commercial confidentiality of the bids made by the bidders and the subsequent transaction

ORIGINATING OFFICER DECLARATION:

	Tick to confirm statement (✓)
Head of Unit: Annabel Cowell has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓
Legal Advice: The Legal team have been consulted on this proposal.	✓
Financial Advice: The Chief Finance Officer has been consulted on this proposal.	✓
Equalities Advice: The Equality and Diversity team have been consulted on this proposal on behalf of the Head of Equalities and Diversity.	✓

OFFICER APPROVAL**Chief Operating Officer**

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

Signature



Date 11 / 01 / 2015.

MAYOR OF LONDON

OFFICE FOR POLICING AND CRIME

REQUEST FOR APPROVAL TO DISPOSE OF 18 HILTON WAY, SANDERSTEAD, SOUTH CROYDON

Report by Director of Property Services on Behalf of the Commissioner

Summary

This report requests the Deputy Mayor For Policing and Crime's (DMPC) approval to dispose of the freehold interest in the vacant residential property 18 Hilton Way, Sanderstead, South Croydon to Croydon Council on terms restricted by provisions on the legal title of the property.

A RECOMMENDATION – That the DMPC:

1. In accordance with the current MOPAC Scheme of Consent and Delegation approve the disposal of the freehold interest in 18 Hilton Way, Sanderstead to Croydon Council on the terms detailed in Exempt Appendix 2;
2. Note the MOPAC scheme of Consent and Delegation provides the Director of Property Services with authority to dispose of land or property on behalf of the MOPAC, in accordance with the Estates Strategy, for all transactions with an estimated value of less than £1 million where the properties have been referred to in the annual schedule submitted to the MOPAC prior to the beginning of each financial year (subject to any contentious etc. matters arising).
3. Note that final approval to the sale has been referred to the DMPC for approval due to the restrictions on title preventing the property being offered for sale on the open market.
4. Note that the capital receipt from the disposal will support the 2014/15 Capital Programme.

B SUPPORTING INFORMATION

1. The disposal of land and property is governed by the MOPAC Financial Regulations and the associated MOPAC Scheme of Delegation/ Consent. This provides authority for the disposal of any property (subject to any contentious etc matters arising) with a value of less than £1 million that have been referred to in the annual schedule submitted to the MOPAC at the beginning of each financial year to the Director Property Services.

2. The property is a vacant single residential house previously used as quarters for the MPS. In line with the Residential Estate Strategy, the property has been designated as surplus to requirements. The property has also been included within the annual schedule of property disposals submitted to MOPAC at the beginning of the financial year. The property has no public facing function.
3. The residential estate strategy review includes the principle that surplus residential assets be released in accordance with best practice, and in terms of asset management planning for the operational police estate. The Director of Property Services is authorised to implement the strategy and this report confirms the property has been identified as surplus to requirements.
4. The property was one of six properties bought simultaneously by the Receiver of the Metropolitan Police District (now MOPAC) from the Urban District Council of Coulsdon and Purley (now London Borough of Croydon) in January 1957. The legal Transfer for the properties included a restriction on the title requiring that should the Receiver or its successors in title wish to sell one or more of the properties it must first give the Council the option of purchasing the same on terms as set out in the Transfer before the property could be sold to any other party. The terms of the option are detailed in Exempt Appendix 2.
5. In accordance with the option to purchase the London Borough of Croydon were notified of MOPAC's desire to sell the property and given the option of purchasing the property. The London Borough of Croydon responded within the time frame stipulated within the option confirming its desire to purchase the property.
6. Following a period of negotiation with the London Borough of Croydon some improvement to the terms within the option were agreed. The final terms for the purchase of the property are set out in Exempt Appendix 2.
7. The London Borough of Croydon have advised that after completion of the purchase and following a refurbishment of the property it will be added to the Council's housing stock.
8. Property Services consider the disposal of the freehold to Croydon Council achieves value for money given the constraints on the title and having sought external legal advice on the restrictions imposed by the option to purchase.

C OTHER ORGANISATIONAL & COMMUNITY IMPLICATIONS

Equality and Diversity Impact

1. Following on from an Initial Impact Assessment screening completed on residential properties, no Equality and Diversity impacts have been identified.

2. The restriction on the legal title prevents the property from being offered for sale on the open market and therefore cannot be offered to all members of the public.

Financial Implications

4. The 2014/15 Capital Receipts budget, as set out in the 2014/15 approved Mayor's budget, is £97m, which includes the sale of surplus residential property. The latest forecast is for Capital Receipts of at least £150m for 2014/15. This forecast is to be achieved through the disposal of operational and residential properties that are surplus to requirements. The disposal proceeds as set out in **Exempt Appendix 2**, will contribute towards the forecast Capital Receipts of £150m and costs related to the disposal will be offset against the capital receipt up to a maximum of 4% of the total sale proceeds
5. The revenue costs related to the maintenance of this property based on 2012/13 costs are £1,035. Maintenance/repair works have been kept to a minimum. The property would require refurbishment if it were to be brought back into MOPAC's residential estate. Cost of such refurbishment is estimated at £40,000.

Costs to hold the property in the longer term are not included within the 2013/16 Business Plan; a longer term hold will require funding to be provided through future business planning processes.

Value for Money

6. The property is surplus to requirements and a disposal offers opportunity to realise the capital value and reinvest the receipt into the Metropolitan Police Service.

Legal Implications

7. The MOPAC has power to dispose of surplus properties (including land) under paragraph 7(2)(b) of Schedule 3 of the Police Reform and Social Responsibility Act 2011 ("The Act"). MOPAC may also do anything which is calculated to facilitate or is conducive or incidental to the exercise of the functions of the office under paragraph 7(1) of Schedule 3 of that Act.
8. S4(5) of the Act provides staff under the direction and control of the Commissioner can assist the MOPAC to exercise that Office's functions.
9. The MOPAC scheme of consent and delegation provides the Director of Property Services with authority to dispose of land or property on behalf of the MOPAC, in accordance with the Estates Strategy, for all transactions with an estimated value of less than £1 million where the properties have been referred to in the annual schedule submitted to the MOPAC prior to the

beginning of each financial year. This report confirms the property does not exceed this figure.

10. The report confirms the property is surplus to requirements and that final approval to the sale has been referred to the DMPC for approval due to the restrictions on title preventing the property being offered for sale on the open market.
11. On the basis of the information contained within this report and discussions with Property Services, DLS are supportive of the proposed recommendations.
12. The disposal will be subject to contract and external lawyers will be instructed through MetLaw (DLS) to complete the conveyance.

Environmental Implications

	Higher	Lower	No Impact	Mitigation/ management of any higher impact
Level of energy use and associated carbon dioxide emissions			✓	Although the building referred to herein is surplus to requirements, the residential use means that in the majority of cases the utilities are paid for by the tenant and the emissions are therefore not included within the MPS footprint. The disposal will have no impact on the overall carbon emissions of the MPS. The utilities will be paid for by the MPS in a small number of cases.
Level of water consumption			✓	Although the building referred to herein is surplus to requirements, the residential use means that in the majority of cases the utilities are paid for by the tenant and the consumption is therefore not included within the MPS total use. The disposal will have no impact on the overall water consumption of the MPS. The utilities will be

				paid for by the MPS in a small number of cases.
Level of waste generation/waste requiring disposal			✓	These building is currently vacant and there is no waste.
Level of travel and transport and associated emissions		✓		These building is being disposed of, regular inspections for insurance purposes will cease.
Raw material use and finite resources (use of recycled materials and sustainable alternatives)			✓	Property will be disposed of.

Risk Implications

13. The property is being sold on terms agreed with a Local Authority. There is little risk that the sale will not complete on the terms agreed. Security and maintenance of the property will remain MOPAC's responsibility up until completion of the sale.

Report author: Jane Bond, Director Property Services

Background Decisions:

MOPAC/MPS Estate Strategy 2013-2016 (May 2013)

ABBREVIATIONS AND ACRONYMS:

DMPC - Deputy Mayor for Policing and Crime
MOPAC - Mayor's Office for Policing and Crime
MPS - Metropolitan Police Service

