

Single Member Cabinet Decision**Executive
Forward Plan
Reference****E3181****23 Grosvenor Place, London Road, Bath BA1 6BA :–
Surrender of existing Guinness Housing Association (GHA)
lease, subject to payment of a reverse premium**

Decision maker/s	Councillor Richard Samuel, Cabinet Member for Resources
The Issue	Approval is required to the agreement to surrender the existing occupational lease at the subject property, subject to payment of a reverse premium by the Council to the tenant.
Decision Date	13 th December 2019
The decision	<p>The Cabinet Member agrees to authorise approval to surrender the tenant's lease dated 2nd February 1993 between Bath City Council and the tenant for a term expiring 1 February 2058.</p> <p>Subject to the following conditions:</p> <ul style="list-style-type: none">• Vacant possession• The tenant using best endeavours to provide vacant possession at the earliest opportunity.• Payment of a reverse premium by BANES to the tenant on completion of the surrender
Rationale for decision	<p>The property was converted into 20 flats in the 1970s, the majority of which are bedsits, with poor layouts. They are primarily occupied by single residents. They are now considered unsuitable for this purpose and the tenant has had a long term strategy to re-house their residents.</p> <p>Housing Services are assisting the relocation of the existing tenants, including by giving them high priority status on the Homeseach Scheme. The Council's single point of access for affordable housing within the district.</p> <p>The agreed surrender enables the tenant to progress their long term strategy and the Council to gain vacant possession of a valuable asset.</p> <p>On completion of the surrender the Council will be in position to undertake a full property appraisal and decide on strategy going forward.</p>

Financial and budget implications	<p>Council approved a budget for this proposal by amending the budget framework at its meeting on 14th November 2019.</p> <p>Corporate Finance at BANES has been consulted and advises the best approach is to seek approval in respect of a surrender of the lease on a walk away basis i.e. no dilapidations / repairs, at an unconditional reverse premium. The costs to be met by the eventual capital receipt received from the sale of the subject property. There will be a period of at least 9 months between payment of the reverse premium and generation of the capital receipt to allow for an appropriate marketing campaign. A PID has been drafted and submitted for approval via Directors Group, a Council decision regarding budget to be made 14th November 2019.</p>
Issues considered	Property
Consultation undertaken	The appropriate Council Directors and Section 151 Officer
How consultation was carried out	Internal consultation was completed within the Council's formal processes for initiating and approving the lease surrender at a premium
Other options considered	None
Declaration of interest by Cabinet Member(s) for decision, including any dispensation granted:	None
Any conflict of interest declared by anyone who is consulted by a Member taking the decision:	None

Name and Signature of Decision Maker/s	Councillor Richard Samuel, Cabinet Member for Resources
Date of Signature	28 th November 2019

Subject to Call-in until 5 Working days have elapsed following publication of the decision