

Bath & North East Somerset Council

MEETING	Corporate Policy Development & Scrutiny Panel	
MEETING DATE:	27 July 2020	EXECUTIVE FORWARD PLAN REFERENCE
		E 3181
TITLE:	Update on the actions requested following the Call in of decision E3181: 23 Grosvenor Place, Bath: Surrender of existing Guinness Housing Association lease, subject to the payment of a reverse premium.	
WARD:	Walcot Ward	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		

1 THE ISSUE

- 1.1 To provide an update on the recommendations made by the Panel, together with actions agreed by the Cabinet Member for Resources, in consultation with Council Leader to address the call in of decision E3181: 23 Grosvenor Place, London Road, Bath BA1 6BA – Surrender of existing Guinness Housing Association lease, subject to payment of a reverse premium.

2 RECOMMENDATION

The Panel is asked to;

- 2.1 Note and consider the update set out in this report.

3 BACKGROUND

THE DECISION:

On 27th January 2020 it was resolved the original decision made on 13th December stands, and that Cabinet Member for Resources, in consultation with Council Leader acknowledged the recommendations made by the Corporate PDS Panel on 13th January 2020 and further agreed:

1. That consideration will be given to ways in which the transparency of property related decisions can be improved, within the limits of commercial confidentiality, and this will be reported to the Cabinet.
2. The future options for Grosvenor Place will be examined as quickly as possible and a business case for the preferred option will be placed before the Cabinet for approval. The case for any ring fencing of a capital receipt to be reinvested in future social housing schemes will be included in the options appraisal.
3. Discussions will be held with Guinness on reinvestment within B&NES of any receipt they receive as part of the appraisal above.
4. The Council is already in the process of reviewing its Estates, Construction, Maintenance and Facilities Management functions to ensure they deliver the Council's new Corporate Priorities as effectively as possible. This review will be completed as soon as practically possible.

This decision was Called In, and on 13th January 2020 Corporate PDS Panel held the Call-In meeting. The Panel upheld the Call-In and made the following recommendations:

- i) Whilst understanding the needs of commercial sensitivity a process should be sought to increase transparency, including allowing a member from each political group access to exempt information so that the decision-making process is more transparent.
- ii) Ring fence a percentage of the incoming capital receipt from this decision for future social housing in Bath & North East Somerset. A percentage of 50% or thereabouts is recommended.
- iii) Encourage the Guinness Housing Association through negotiations to spend the reverse premium on social housing in Bath & North East Somerset.
- iv) In view of comments made to the Panel about the Property Services department in relation to other parts of the Council, a review of the Property Services department be undertaken to allow for a refinement to its decision making processes to ensure better democratic accountability and transparency in the future.

4 THE UPDATE REPORT

Below is an update on the decision acknowledging the recommendations recorded in the amended decision dated 27 January 2020.

4.1 Item 1.

This recommendation has been absorbed as a priority programme within a wider workstream of the recently created Recovery Board. The Corporate Management Team Project Sponsor for this piece of work is Mandy Bishop, who is currently finalising the strategic objectives for this review. However, the issues raised concerning improving the transparency of property related decisions, within the limits of commercial confidentiality will be reviewed as part of this exercise.

4.2 Item 2.

An options paper was drafted prior to the Covid19 outbreak, incorporating the ring-fencing options; however, its presentation to Cabinet has been delayed as a result of the role played by the subject property to provide accommodation for the homeless to self-isolate during the pandemic.

Grosvenor Place played a central role in providing safe accommodation enabling the homeless to self-isolate during the Corona Virus outbreak, under the supervision of Julian House. The report has been delayed whilst a case is built around a further option relating to the rough sleeper exit strategy and the potential longer-term role that this property might play in this as a permanent move-on facility. The business case will be dependent upon a potential MCHLG new funding stream which has been announced but further details are awaited as they have yet to be released. As soon as this further detail is known and the business case can be developed, the options paper will be finalised.

4.3 Item 3.

Guinness were approached with a request to use the receipt from the reverse premium to invest in social housing within the B&NES area.

They advised however that after allowing for rehousing costs, major works of repairs, which included undertaking structural remediation to the rear wall of the premises, together with other expenditure associated with exiting the premises there would be no funds available from the specific receipt to recycle within the area.

Guinness did however stress their commitment to Bath & North East Somerset and confirmed that with 470 homes in the Council area, this is one of their highest priority investment localities where they will continue to invest in both their existing homes, as well as seeking opportunities to build new houses and are currently actively exploring a number of opportunities with developers.

4.4 Item 4.

The Recovery Board workstream outlined above in paragraph 4.1 will include a review of the structures, processes and core delivery model across all aspects of the Council's property services, including the Estates, Construction, Maintenance and Facilities Management functions.

This review will form part of the overall workstream and is being led personally by Mandy Bishop.

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Background papers	
Please contact the report author if you need to access this report in an alternative format	