

Cabinet

Tuesday 20 March 2012

4.00 pm

Ground Floor Meeting Room GO1A, 160 Tooley Street, London
SE1 2QH

Supplemental Agenda No. 3

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7.	Four Squares Estate Options Appraisal – Supplementary Advice Attached is supplementary advice from the Strategic Director of Communities, Law & Governance in respect of the Four Squares Estate Options Appraisal report, item 7 of the main agenda.	1 - 2
8.	Abbeyfield Estate: Options Appraisal for Maydew House, Thaxted Court and Damory House – Amended paragraph 99 Attached is an amended paragraph to the report which relates to information contained in paragraph 99 of the Abbeyfield Estate Options Appraisal report, item 8 of the main agenda.	3

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Date: 20 March 2012

ITEM 7 – FOUR SQUARES ESTATE OPTIONS APPRAISAL

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS – ADDITIONAL INFORMATION

Strategic Director of Communities, Law & Governance

1. The report recommends that cabinet instruct officers to initiate disposals of void properties on the estate. As properties on the estate fall within the Council's housing portfolio, the disposal can only proceed in accordance with Section 32 of the Housing Act 1985, for which purposes the consent of the Secretary of State for the Department of Communities and Local Government is required. A number of general consents have been issued in the General Housing Consents 2005 which permit the sale of housing land, provided that certain conditions are met. Consent A 5.1.1 states that a local authority may, subject to the provisions of that consent, dispose of one vacant house or vacant flat or vacant converted house to any individual for a consideration equal to its market value, provided that the purchaser (alone or with others) has not, under the consent in this paragraph A5.1.1, acquired another dwelling house from the authority previously in the same financial year.
2. To comply with this consent the council must achieve a price for each of the properties that is equal to its market value and ensure that the purchaser of each of the properties confirms in the agreement for sale that they have not (alone or with others) purchased another property from the council in the same financial year.
3. Disposals to housing providers (e.g registered social landlords) of void properties is not covered by the General Housing Consents 2005. Therefore any disposal to a registered social landlord will require the consent of the Secretary of State for the Department of Communities and Local Government ("DCLG"), as stated in paragraph 70 of this report.. Any application to the DCLG in respect of any housing land transfer under Section 32 of the Housing Act 1985 is a matter reserved to Council Assembly for approval.
4. Before disposal of each of the properties the strategic director of housing services must have declared each of the properties surplus to the council's requirements.
5. Cabinet will note from paragraph 69 of this report that officers estimate the average consideration expected to be received for the sale of one of the properties on the estate is £130,000.00. The Constitution provides that authority for disposals of property up to a market value of £500,000.00 is a matter reserved to the Head of Property for decision.
6. The enhanced refurbishment recommendation in this report falls within the ambit of housing management matters that require consultation with the council's affected secure tenants. The report indicates that consultation has been carried out with potentially affected residents of all tenures on the Four Squares Estate. To meet legal requirements consultation must be undertaken when the proposals are still at a formative stage, include sufficient reasons for the proposals to allow any interested party the opportunity to consider the proposal and formulate a response and allow adequate time for interested parties to consider the proposal and formulate their response. Those responsible for taking decisions on proposals should take into account the

product of consultation when making decisions on the matters concerned. The report confirms the outcome of consultation to date and confirms the outcome of further consultation will be available to members for consideration when taking a decision on the recommendation. Members are advised that a decision on the recommendation should be taken after careful consideration of consultation responses from interested parties.

7. Members should also have regard to the public sector equality duty in section 149 of the Equality Act 2010. This requires the council, when taking decisions, to have due regard to the need to:
 - (a) Eliminate discrimination, harassment, victimisation or other prohibited conduct;
 - (b) Advance of equality of opportunity between persons who share a relevant protected characteristic and those who do not share it
 - (c) Foster good relations between those who share a relevant characteristic and those that do not share it.
8. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The duty also applies to marriage and civil partnership, but only in relation to (a) above. Members are referred to the community impact statement in this report that sets out consideration given to the public sector equality duty and should have due regard to this when considering the recommendations.

Dated: 20 March 2012

ITEM 8 – ABBEYFIELD ESTATE: OPTIONS APPRAISAL FOR MAYDEW HOUSE, THAXTED COURT AND DAMORY HOUSE

Amended/additional officer comments

A late clarification of the proposed disposal strategy for Maydew House properties has resulted in a lower projected level of capital receipts to fund the scheme. The purpose of the revised paragraph is to improve the clarity of the report on the key issue of resources and also to emphasise that disposal of properties will be limited to the necessary number to achieve the funding requirement.

Paragraph 99 should read as below (amendments shown in bold)

99. The overall costs of the preferred option 3 are £20.3m as shown in table 3. This includes future lifecycle costs which fall outside the HIP, and when these are excluded the capital refurbishment costs to the current programme are approximately £15.3m in years 2012/13–14/15. In the short term this will require the bringing forward of the existing £11.2m provision together with an additional allocation of £4.1m, through a revision of the HIP. This expenditure will be offset by anticipated capital receipts of £7.2m to be achieved in 2015/16–16/17 from the disposal of some refurbished units, representing **an overall capital cost of £8.1m** within the scheme. However, the capital receipts will not only **contribute to** the capital refurbishment costs but will also enable **part of** the existing provision of £11.2m to be recycled back into the programme from 2015/16 onwards, representing a total saving to the programme in the longer term of approximately **£3.1m**.

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