



NOTIFICATION OF DECISION FOR URGENT IMPLEMENTATION

(Decision either included or not included on the current Forward Plan but needs to be implemented immediately by virtue of the urgency of the actions that need to be undertaken. This decision will not be subject to call-in.)

ORIGINATOR'S DETAILS

Name & Contact details: Jeremy Pilgrim; Head of Property
jeremy.pilgrim@southwark.gov.uk 020 7525 1133;

DETAILS OF THE REPORT

Title and brief description of the nature of the business to be considered:

Title of report, summary of decision and reasons for urgency to be included here
Proposed Acquisition of Freehold Interest in Office Accommodation 160 Tooley Street London SE1 2QH.

Summary of Decision:

To delegate to the chief executive authority to conclude the freehold acquisition of the building.

- *Why has this decision been delayed until now?*
Due to a very short marketing and bidding period undertaken by the current freehold owner, this decision was not able to be taken earlier. Heads of Terms were only agreed on Monday 3 December with the bidding process and agreed Heads of Terms requiring complete confidentiality.
- *Why can't the decision be reasonably deferred?*
The decision cannot be deferred as the seller agreed to the council's offer conditional on completion of contract on or before 14 December 2012. (Subject to formal legal contract)
- *How long has the department known the decision was to be taken?*
The council had been preparing for the forthcoming rent review (June 2013) when the current freehold owner announced the intention to sell its interest. Due to the condition of confidentiality imposed by the seller, notice was not able to be provided earlier and it was not until 3 December 2012 that notification could be given.
- *If scheduled on the forward plan for a particular period, what's changed to make it so urgent now?*
This report was not included on the forward plan for the reasons set out above
- *Why is it important that this decision is taken now?*
If the decision is not taken now, there is a high risk that the seller will treat with a third party, such a decision would mean the council loses the opportunity to make substantial revenue savings at a time when budgets are under threat of

serious cuts.


- *What is the potential cost to the council if the decision is delayed?*
This is a unique opportunity to acquire the building which will provide the council with substantial annual revenue savings over payment of rent; estimated at a minimum level of £1.5 million per annum. Ownership of the building will provide additional opportunities to reduce building management costs and allow greater flexibility for future uses of the property,

Date decision to be taken on:

Declaration

I agree/disagree* with the Chief Officer/Head of Service that the proposed Decision is reasonable and that it can be treated as a matter of urgency.

Reason for refusal

Signed  Dated.....11.12.12.....

Chair of Overview & Scrutiny Committee/Mayor/Deputy Mayor*

* delete as appropriate

Please note reasons for refusal, additional points or further action required (as appropriate)

Given the time pressures ^{surrounding} this item and the need to adhere to good governance procedures, ^{the report} ~~the item~~ was pre-scrutinised by OSC on Dec 10th.

Please return completed form to Bola Roberts/Ian Millichap, Constitutional Support Unit, 160 Tooley Street, PO Box 64529, London, SE1P 5LX – tel: 020 7525 7232 fax: 020 7525 7498