To Councillor:

Richard Robertson – Executive Councillor for Finance & Resources Chair - Sophie Barnett Opposition Spokesperson – Jamie

Dalzell

To Officer:

Caroline Ryba – Head of Finance

Date: 2 November 2018

Comment to:

Clare Mitchell, Principal Property Surveyor The Guildhall Cambridge CB2 9QJ

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MEMBER CONSULTATION

This is a formal consultation letter seeking your views in the following circumstances:

Urgency Action: your views are sought as a committee Chair or Spokesperson on a matter which is not delegated to officers but on which action must be taken as a matter of urgency.

Please reply in writing by 12th November 2018 by completing and returning one copy of this consultation letter.

Briefing report

Freehold transfer of 11A Thorpe Way, Cambridge. It is not Subject:

considered that this matter meets the statutory exemptions from

publication contained in the Local Government Act 1972.

Background: The above property was part of a scheme which included the

Ditton Land shops and was built under a long lease by Urban Properties Ltd. Urban Properties Ltd subsequently went into administration and the Treasury Solicitor disclaimed their lease under a notice dated 7 October 2003. The twelve householders therefore became direct tenants of the Council on long leases and their ground rent is invoiced annually. The leaseholder of 11A Thorpe Way has approached the Property Services team requesting to purchase the freehold of their property. The freehold interest has been valued by the Council at £5,200 and the leaseholder would also be required to pay the Council's legal costs estimated at £1,700 plus any additional search or

registration fees.



The City Council's constitution provides under Section 6 (General) and Part 4H (Code for the Disposal of Land) in paragraph 1.3 that: 'The requirements of this Code may, if requested by the Head of Property Services, be waived or amended if the Executive Councillor for Customer Services and Resources is satisfied that there is compelling justification in any particular case for such waiver or amendment.

A waiver of the requirements of the Code for the Disposal of Land is recommended on the following grounds:

- a) The Council has already sold the freehold of two of the row of properties (Nos 1 and 7a Thorpe Way in March 2006 and August 2013 respectively)
- b) The Council's freehold interest does not include any buildings.
- c) The income generated annually from these properties (10 in total) is very low with an annual ground rent of £115 per annum and the next review not due until 2035.
- d) The area of land associated with the proposed sale is small at approximately 120 square metres. Had it been under 100m2 in size it would have been automatically excluded from the Code for the Disposal of Land.
- e) A capital receipt can be generated now, which is essentially a capitalization of the low ground rent.
- f) The leasehold tenant of 11A Thorpe Way has a statutory right to purchase the freehold within prescribed timescales under the Leasehold Reform Act 1967.

Recommended Action:

The Executive Councillor is recommended to:

a) Approve the freehold transfer of 11A Thorpe Way to the current freeholder.

Member Response:

I support / do not support the action recommended above.

Member Comments/Reason:

| Signed | Councillor |
|--------|------------|
| Date | |

