

MUNICIPAL YEAR 2015/16 – REPORT NO. 203

MEETING TITLE AND DATE:
CABINET – 15th March 2016

Report of:

**Director of Finance,
Resources and Customer
Services.**

Agenda Part: 1

Item 14

**Purchase of Ridge House Clinic, Church
Street, Bush Hill Park, N9 9JT**

WARD: Bush Hill Park

KD - 4258

Cabinet Members consulted:

Cllr Andrew Stafford

Contact officers:

Mohammed Lais – 020 8379 4004

mohammed.lais@enfield.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 Authority is sought to acquire the freehold interest of the Ridge House Clinic in Church Street, Bush Hill Park, N9 by private treaty from NHS Property Services Ltd (NHSPS).
- 1.2 Authority was given to acquire the clinic site under a Delegated Authority Report KD3722 in 2013.
- 1.3 Due to the time it has taken to agree a transaction, the NHS have had several reorganisations and the time elapsed since 2013 (last valuation date) an increased consideration in market value of the Property is being sought by NHSPS.
- 1.4 Approval is required to fund the acquisition of the clinic site for which terms have been agreed with the NHS and are currently awaiting legal instruction.

2. RECOMMENDATION

It is recommended that Cabinet approves :

- 2.1 The acquisition of the freehold interest in the Property by the Council on the terms as stated in Part 2 of this report.
- 2.2 The addition of the project to the Capital programme to be funded from borrowing as detailed in the Part 2 report.
- 2.3 The Assistant Director – Strategic Property Services in conjunction with the Assistant Director - Legal Services and Governance is granted delegated authority to make the necessary arrangements to exchange contracts and to acquire the Property.

3. BACKGROUND

- 3.1 An opportunity has arisen to acquire the Ridge House Clinic, Church Street, Bush Hill Park, N9 from NHS Property Services Ltd, the property arm of the National Health Service.
- 3.2 The Clinic site is situated directly behind the Ridge Avenue Library, at the end of Church Street, Bush Hill Park, N9.
- 3.3 The Clinic and the Council owned Ridge Avenue library are located on the borders of Winchmore Hill/Bush Hill Park. The site is facing the southern side of Ridge Avenue (A105), at the junction of Ridge Avenue and Church Street see plan attached at appendix 1.
- 3.4 Prior to 1 April 1974 the Council was the owner of the Property. By virtue of Section 16 of the National Health Service Re-Organisation Act 1973 the Property became vested in the Secretary of State for Social Services on 1 April 1974.
- 3.5 In 2012/13, the freehold interest in the Property was offered back to the Council as it had right of first refusal to re-acquire the Property.
- 3.6 The Property comprises a single storey building which was formerly a NHS GP Clinic. The Clinic building has been vacant for nearly 5 years.
- 3.7 Due to the organisational and procedural changes that have taken place in the NHS Property arm since it became a legal entity in 2013, this deal has taken longer than envisaged to agree. The effluxion of time from the last valuation to present is 3 years and under the NHSPS's Property Procedure Rules and the Council's own best value principles, a revaluation of the Property was required.
- 3.8 The acquisition of the Property by the Council still represents best value in terms of the Council's duty under s120 of the Local Government Act 1972.
- 3.9 The acquisition of this parcel of land consolidates the Council's landholdings in this area and is considered good asset management.
- 3.10 The financial justification for recommending the acquisition of The Property is detailed in the Part 2 report.

4. PROPOSAL

- 4.1 To purchase the freehold interest in the Property at a price detailed in Part 2 of this report.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Not trying to acquire The Property is considered a lost opportunity to the Council.
- 5.2 Acquiring the property for an alternative Corporate objective such as health use, decant space and or community use (D1/2 use).

6. REASONS FOR RECOMMENDATIONS

- 6.1 This is a rare opportunity for the Council to acquire an asset that will assist in the improvement of the whole apex of this neighbourhood and street scene.
- 6.2 The Property is adjacent to the Ridge Avenue Library Site and will consolidate the Council's landholdings in this area.
- 6.3 The purchase of the Property will allow flexibility within the Council's portfolio at reasonable cost and could allow short term leasing for internal services which would allow substantial savings from leased in property.

7. KEY RISKS

See Part 2.

8. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

8.1 Financial Implications

See Part 2.

8.2 Legal Implications

8.2.1 The Council has powers under section 120 of the Local Government Act 1972 to acquire land by agreement for any of the Council's functions now or for future use. In addition the general power of competence under section 1 of the Localism Act 2011 grants the Council the power to do anything that a private individual may do subject to the restrictions set out in section 2 of that Act.

8.2.2 When considering an acquisition of land/property the Council must act in accordance with the Property Procedure Rules which state that: "Acquisitions of property must be approved by the Assistant Director (Property Services) in consultation with the relevant Portfolio holder and the report must outline the purpose to which the asset will be put. This must be demonstrated by the inclusion of a business case that the service is able to fund all costs and expenses associated with the acquisition and running costs." Advice must also have been obtained that the property to be acquired represents value for money and is suitable for the proposed purpose, or is required for an approved Council scheme.

8.2.3 Planning permission will be required before any alternative use can be implemented on the Property and the relative merits of the application must be considered at that time.

8.3 Property Implications

8.3.1 As embedded within this report.

8.3.2 The acquisition of the property is not without risks. Please see Part 2 Report – Key Risks.

8.3.3 Once acquired the property will require various surveys that can be undertaken within the Council. These will include, but not limited to a full condition and structural survey, asbestos testing, a full range of health & safety checks.

8.3.4 The asset will need to be registered on the Council's asset management system. The property will also need to be managed as part of the vacant buildings portfolio.

8.3.5 The insurance department will have to be informed so that the property can be entered onto the Corporate Buildings Insurance schedule. To aid this process a reinstatement valuation of the property will have to be provided.

9. PERFORMANCE MANAGEMENT IMPLICATIONS

The purchase of The Property will assist in the delivery of much required housing corporate need and a new fit for purpose modern library facility.

10. EQUALITIES IMPACT ASSESSMENT

The proposed purchase will not cause a change to policy, budgets or service delivery and therefore an Equalities Impact Assessment is not considered necessary.

11. PUBLIC HEALTH IMPLICATIONS

Provision of these specialist treatment public health services is a core part of maintaining the health and well-being of Enfield residents with complex health needs. It is useful that the Council is taking these measures to ensure appropriate and effective access to these public health services in a key location in the Enfield community and Ridge Avenue Health Centre is ideal for these purposes.

12. IMPACT ON COUNCIL PRIORITIES

12.1 Fairness for All

Not applicable.

12.2 Growth and Sustainability

To ensure the site is in beneficial use and will improve the streetscape, improve the quality of life for local residents and increase local economic development by creating jobs in the local area.

12.3 Strong Communities

The acquisition of this property will provide the Council with greater options in delivering community services.

BACKGROUND PAPERS - None

Appendix 1- Site Plan