



**OFFICE OF THE POLICE & CRIME
COMMISSIONER FOR THAMES VALLEY**

REQUEST FOR DECISION – PCC 2018 / 009

Title: Sale of 13 – 23 Tuns Lane, Slough, Berkshire SL1 2XA

Executive Summary:

The purpose of this report is to provide information regarding the potential sale of 6 houses (13–23) at Tuns Lane in Slough.

The properties consist of 3 pairs of semi-detached houses and have been identified for “potential disposal” in the Asset Management Plan (as updated in Jan 2018). TVP currently lease the houses to Slough Borough Council but have the ability to terminate this lease agreement subject to 6 months’ notice.

The properties lie within the “Tuns Lane Regeneration Gateway” a site identified by Slough Borough Council for redevelopment and regeneration. Michael Shanly Homes own a number of other properties within the identified regeneration site and are working in partnership with Slough Borough Council to deliver the overall project.

Michael Shanly Homes have been in discussion with TVP for some time regarding the potential purchase of the houses and have recently increased their financial offer to a level that is now considered to be acceptable. Two formal valuations of the site have confirmed that the offer is well in excess of the current market value of the site.

Recommendation:

The PCC is recommended to approve the offer from Michael Shanly Homes in the sum of £2,500,000 for the sale of the freehold of the houses at 13–23 Tuns Lane, Slough

Police and Crime Commissioner

I hereby approve the recommendation above.

Signature  **Date** 30.4.18.

PART 1 – NON-CONFIDENTIAL

1 Introduction and Background

- 1.1 The houses at 13–23 Tuns Lane consist of 3 pairs of semi-detached houses, making up six houses in total. All six properties are largely identical, each one is three-bedroomed with family bathroom, ground floor kitchen and two reception rooms. Parking is provided in a courtyard to the front of the houses and each property has a modest size garden.
- 1.2 The houses are currently leased to Slough Borough Council (SBC) following their cessation of use by TVP Officers. They are sited within an area that is identified by SBC as a significant regeneration/redevelopment area known as “Tuns Lane Regeneration Gateway”. Michael Shanly Homes (MSH) have secured the freehold of a number of properties within the regeneration project area and are also in discussion with Royal Berkshire Fire & Rescue Service who have a Fire Station in the vicinity. The Council and MSH are therefore working in partnership to help deliver the overall objectives of the regeneration scheme that it is hoped will ultimately deliver a new mixed-use development incorporating 200+ flats.
- 1.3 MSH approached TVP in July 2017 enquiring about the availability of the properties. They were advised that whilst we were not intending to market the properties they were informally identified as being for “potential disposal”. MSH were also advised as to the parameters of the PCC’s adopted “off-market” sales policy.
- 1.4 An initial offer of £2,420,000 to purchase the freehold of the six houses was received. TVP instructed Lambert Smith Hampton (LSH) and Carter Jonas to undertake independent valuations and the advice we received was that the MSH offer fell just short of the requirements of our “off market” disposals policy.
- 1.5 The recently revised offer of £2,500,000 does however meet the requirements of the “off market” policy being significantly in excess of the combined valuation of the houses identified in the LSH and Carter Jonas valuation reports.

2 Issues for Consideration

- 2.1 The current off market disposal policy as adopted by the PCC states that off market sales can be pursued in the event that the offer exceeds the market valuation by 30% or if there are other benefits in pursuing an off market deal. Both the LSH and Carter Jonas valuations identified that the optimum value generated by the properties would be through them being sold as individual houses as opposed to a package or potential redevelopment site.

3 Financial Comments

- 3.1 In line with our off-market sales policy we have secured formal valuation advice from both LSH and Carter Jonas and the average of these two valuations is £1.920m.
- 3.2 The offer of £2.5m from MSH therefore meets the 30% threshold requirements of the "off-market" sales policy.

4 Legal Comments

- 4.1 This sale is in accordance with the approved 'Off-Market Disposals Policy'

5 Equality Comments

- 5.1 There are no matters of this nature relevant to this proposed transaction.

6 Conclusion

- 6.1 The houses at Tuns Lane have been identified for potential disposal within an updated Force Asset Management Plan. Selling the site to MSH on an unconditional basis will generate a significant capital receipt and help facilitate the ultimate delivery of Slough Borough Council's "Tuns Lane Regeneration Project". Therefore MSH's unconditional offer in the sum of £2,500,000 is recommended for approval.

<p>Public Access to Information Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website within 1 working day of approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.</p>
<p>Is the publication of this form to be deferred? <u>NO</u></p> <p>If yes, for what reason? N/A</p> <p>Until what date? N/A</p>
<p>Is there a Part 2 form? <u>YES</u></p>

ORIGINATING OFFICER DECLARATION (as appropriate):		
	Officer	Date reviewed
Strategic Growth Planner, Property Services	Simon Dackombe	26/04/18
Head of Property Services	David Griffin	27/04/18
Legal Advice	Blake Morgan	N/A
Financial Advice	Linda Waters	27/04/2018

OFFICER'S APPROVAL

We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.

We are satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.


Chief Executive

Date 27/4/18


Chief Finance Officer

Date 27/4/18