

Police and Crime Commissioner for Surrey – Decision Making Record

Title: Suspension of Estates Disposal Programme
Decision number: 008/2013
Author and Job Role: Alison Bolton, Chief Executive
Protective Marking: Part One

Executive Summary:

On taking up office, the PCC announced his intention to review the current policy of police station and building disposal. In particular, the PCC wanted to ensure that the current strategy of disposal to maximise capital receipts was offering best value for public money and whether there was potential to retain, re-let or develop any properties. The PCC recognises that the original rationale of co-locating front-counter and neighbourhood policing teams in council offices and closing older, under-used buildings remains sound, but wishes to explore any potential for a more commercially focused approach to remaining sites.

Background

The Commissioner received a paper at his January management meeting setting out details of the disposal methodology for the 24 police buildings originally deemed surplus to operational requirement and the status of each of the 12 remaining sales that are not yet contractually committed. The paper also assessed the impact and financial/reputational risks associated with withdrawing from any sales. The details of the paper cannot be made public due to commercial sensitivities.

Of the 12 sites that remain not yet contractually committed, some have offers accepted whilst some have either no offer, a buyer has withdrawn or there is a specific reason already holding up the sale.

The PCC noted the position in relation East Molesey and Egham. It was agreed that to withdraw or delay these two sales would not be sensible given their proximity to completion and, in the case of one site, the impact of withdrawing on another significant sale.

The Commissioner made the following decisions:

- i) To halt the current disposals programme and to obtain professional advice on enhancing future capital receipts and the possibilities for retaining, re-letting or developing any of the 10 remaining properties
- ii) To keep the timescales for this approach under review, noting the financial impact of an extended delay to capital receipts
- iii) To proceed with the sales in East Molesey and Egham due to their proximity to completion and the impact of withdrawing on another significant sale

Police and Crime Commissioner Approval

I approve the recommendation(s):

Signature: 

Date: 04.02.2013

All decisions must be added to the decision register.

Areas of consideration

Financial implications

There is an increased risk that buyers will withdraw from sales completely if sales are put on hold for a few months, impacting on financial projections. In most cases this risk is considered by the Force to be fairly low. The PCC has been provided with details of the additional borrowing costs that could be incurred if there is a delay to projected receipts, as well as additional running and maintenance costs of retaining buildings.

Risks

In addition to the financial risks outlined above, the PCC notes the potential reputational risk associated with withdrawing from sales.

Equality, diversity and human rights issues

None arising.