

## Record of Decision

### **Elected Mayor's response to the Overview and Scrutiny Board's objections to the Mayor's decision for officers to carry out market testing for the disposal of Oldway Mansion, Paignton**

#### **Decision Taker**

Elected Mayor, in consultation with the Executive Leads, on 20 June 2018

#### **Decision**

That the Elected Mayor disagrees that the decision in relation to market testing for the disposal of Oldway Mansion is contrary to the Council's Policy Framework in that it does not make best effect of the Council's reducing resources. He disagrees that it is not using every hour of work well. He wishes his original Mayoral decision to stand as set out below:

- (iii) that market testing commences now, through accredited agents, to see whether there is interest in securing the freehold or long leasehold disposal of Oldway Mansion and Estate. The marketing should engage with all interested parties, including charities, trusts, private individuals and commercial organisations, and for local community groups, such as the Friends of Oldway, the Community Asset Transfer Policy would be applicable.

#### **Reason for the Decision**

To respond to the Overview and Scrutiny Board's objection to the Elected Mayor's decision for officers to carry out market testing for the disposal of Oldway Mansion, Paignton.

At the Cabinet meeting held on 17 May 2010, Elected Mayor Bye took a decision to dispose of Oldway Mansion to Urban Splash (Oldway) Ltd as the Council could no longer afford to maintain the Mansion and its grounds. Since Oldway Mansion was closed in 2012 the Council has spent £2m on maintenance and other general costs. The Council can no longer afford to keep and maintain this asset.

Oldway Mansion and Estate Working Party have taken two years to come up with their recommendations to Council on the future use for Oldway Mansion, Paignton which is costing the Council in excess of £100,000 per year.

The recommendation from the Oldway Mansion and Estate Working Party set out in the submitted report to Council on 21 June 2018 is seeking to ask the Council to commit to funding £2m to implement Phase 1 of the Oldway Mansion Project as identified by DCA consultants without any clear guarantee of how this will be funded. The Council has to find £15m of savings or additional income generation over the next two years and cannot afford the additional revenue costs associated with prudentially borrowing £2m to fund this work (at a cost of circa £80k per annum).

The Working Party and the community have not been able to come up with a satisfactory business case that will reduce future funding commitments to the Council and the Corporate Plan sets out that the Council needs to do things differently going forward. Therefore the Council needs to consider whether it can still afford to maintain assets that it no longer needs for service delivery. The proposal to carry out the market testing I feel is using the Council's resources to best effect to enable a viable business solution to be found to save and protect Oldway Mansion for the future. **My decision was not to dispose of Oldway, it was to**

**market test its disposal so as to inform any future decision making, which could include transferring the asset to the community or other organisation if they provide a suitable business case.** Without undertaking the market testing, it is not possible to determine whether there is any interest in its disposal. Therefore the Council needs to use its resources so as to inform future decision making, which means that the Council is using its Officer resources 'well.'

## **Implementation**

The Elected Mayor's response to the Overview and Scrutiny Board's objections will be considered at the Council meeting on 21 June 2018.

## **Information**

On 11 June 2018, the Elected Mayor took a decision in relation to the future of Oldway Mansion. Part (iii) of that decision was as follows:

"That market testing commences now, through accredited agents, to see whether there is interest in securing the freehold or long leasehold disposal of Oldway Mansion and Estate. The marketing should engage with all interested parties, including charities, trusts, private individuals and commercial organisations, and for local community groups, such as the Friends of Oldway, the Community Asset Transfer Policy would be applicable."

This decision was called in for scrutiny and considered at the meeting of the Overview and Scrutiny Board held on 13 June 2018. An extract of their Minute is set out below:

### **"6. Future of Oldway Mansion, Paignton – Market Testing**

The Board considered the details of a call-in by fifteen Members of the Council of the decision of the Elected Mayor to commence market testing commences, through accredited agents, to see whether there is interest in securing the freehold or long leasehold disposal of Oldway Mansion and Estate.

The Call-in Promoter (Councillor Lewis (C)) explained that the signatories believed that the Elected Mayor's decision was contrary to the Council's Policy Framework. He explained that the Corporate Plan identified one of the Council's principles as "Using reducing resources to best effect" and that, given that there was no political will to dispose of Oldway Mansion, undertaking market testing would not be an effective use of officer time.

Members of the Board indicated that they were minded to agree that the decision was contrary to the Council's Budget and Policy Framework and, at that point, the Monitoring Officer provided advice to the Board.

**Resolved:** that, having listened to the advice of the Monitoring Officer, the Board is of the view that the Mayor's decision is contrary to the Policy Framework as it does not believe that it makes best effect of the Council's reducing resources and therefore the matter is referred to the Council."

In accordance with Standing Order D10.4 the Elected Mayor has met with the Executive and has considered the recommendations of the Overview and Scrutiny Board to Council and his proposed response is set out above.

**Alternative Options considered and rejected at the time of the decision**

None

**Is this a Key Decision?**

Yes – Reference Number: I036613

**Does the call-in procedure apply?**

No

**Declarations of interest** (including details of any relevant dispensations issued by the Standards Committee)

**Published**

20 June 2018

Signed: \_\_\_\_\_  
The Elected Mayor of Torbay

Date: 20 June 2018