

Asset and Enterprise Committee

Agenda

Part One

Town Hall, Brentwood

Tuesday, 15 July 2014 at 7.00pm

Membership (Quorum: 3)

Councillors

Cllrs Quirk (Chair), Sapwell (Vice-Chair), Aspinell, Clark, Cloke, Coe, Hirst, Kerslake, Morrissey and Sleep.

Committee Co-ordinator:

Ms Claire Hayden (01277 312741)

Additional Information:

Substitutes

The names of substitutes shall be announced at the start of the meeting by the Chair and the substitution shall cease at the end of the meeting.

Rights to attend and speak

Any Member may attend any body to which these Procedure Rules apply.

The member may speak at the Chair's discretion, it being the expectation that a member will be allowed to speak on a ward matter.

Point of Order/Personal explanation/Point of Information

For clarity, relevant sections of Rule 8 of the Council's Procedure Rules (Part 4.1 of the Constitution) are set out for Members' information below:

8.3.14 Point of order

A member may raise a point of order at any time. The Mayor will hear them immediately. A point of order may only relate to an alleged breach of these Procedure Rules or the law. The Member must indicate the rule or law and the way in which they consider it has been broken. The ruling of the Mayor on the point of order will be final.

8.3.15 Personal explanation

A member may make a personal explanation at any time. A personal explanation must relate to some material part of an earlier speech by the member which may appear to have been misunderstood in the present debate, or outside of the meeting. The ruling of the Mayor on the admissibility of a personal explanation will be final.

8.3.16 Point of Information or clarification

A point of information or clarification must relate to the matter being debated. If a Member wishes to raise a point of information, he/she must first seek the permission of the Mayor. The Member must specify the nature of the information he/she wishes to provide and its importance to the current debate, If the Mayor gives his/her permission, the Member will give the additional information succinctly. Points of Information or clarification should be used in exceptional circumstances and should not be used to interrupt other speakers or to make a further speech when he/she has already spoken during the debate. The ruling of the Mayor on the admissibility of a point of information or clarification will be final.

Information for Members of the Public

Access to Information and Meetings

You have the right to attend all meetings of the Council and its Boards and Committees. You also have the right to see the agenda, which will be published no later than 5 working days before the meeting, and minutes once they are published. Dates of the meetings are available at www.brentwood.gov.uk or from Democratic Services (01277 312739).

Webcasts

All of the Council's meetings are webcast, except where it is necessary for the items of business to be considered in private session (please see below).

If you are seated in the public area of the Council Chamber, it is likely that your image will be captured by the recording cameras and this will result in your image becoming part of the broadcast. This may infringe your Human Rights and if you wish to avoid this, you can sit in the upper public gallery of the Council Chamber.

Private Sessions

Occasionally meetings will need to discuss some of its business in private. This can only happen on a limited range of issues, which are set by law. When a Board or Committee does so, you will be asked to leave the meeting.

Guidelines on filming, photography, recording and use of social media at council and committee meetings

The council welcomes the filming, photography, recording and use of social media at council and committee meetings as a means of reporting on its proceedings because it helps to make the council more transparent and accountable to its local communities.

Where members of the public use a laptop, tablet device, smart phone or similar devices to make recordings these devices must be set to 'silent' mode to avoid interrupting proceedings of the council or committee.

If you wish to record the proceedings of a meeting and have any special requirements or are intending to bring in large equipment then please contact the Communications Team before the meeting.

The use of flash photography or additional lighting may be allowed provided it has been discussed prior to the meeting and agreement reached to ensure that it will not disrupt proceedings.

The Chair of the meeting may terminate or suspend filming, photography, recording and use of social media if any of these activities, in their opinion, are disrupting proceedings at the meeting.

Access

There is wheelchair access to the Town Hall from the Main Entrance. There is an induction loop in the Council Chamber.

Evacuation Procedures

Evacuate the building using the nearest available exit and congregate at the assembly point in the North Front Car Park.

Part I

(During consideration of these items the meeting is likely to be open to the press and public)

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1.	Apologies for Absence	N/A	
2.	To approve as a correct record the minutes of the Performance and Resource Committee meeting held on 12 th March 2014.		
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Appendix B & C to Item 8 – Old House – is classified as exempt, under Paragraph 4 of Schedule 12A of the Local Government Act 1972 and this will not be available for public viewing due to commercial sensitivity.

9. Urgent Business

An item of business may only be considered where the Chair is of the opinion that, by reason of special circumstances, which shall be specified in the Minutes, the item should be considered as a matter of urgency.

A handwritten signature in black ink, appearing to read "J. Hayward". The signature is written in a cursive, slightly slanted style.

Acting Chief Executive

Town Hall
Brentwood, Essex
7 July 2014

Minutes

Performance and Resources Committee Wednesday 12 March 2014

Membership/Attendance

- | | |
|--------------------------------|-----------------|
| * Cllr Kerlake (Chair) | * Cllr McCheyne |
| * Cllr Mrs Murphy (Vice-Chair) | * Cllr Parker |
| * Cllr Aspinell | * Cllr Quirk |
| Cllr Clark | * Cllr Russell |
| * Cllr Hirst | * Cllr Sapwell |
| * Cllr Keeble | * Cllr Sleep |
| Cllr Lloyd | |

*present

Substitute Present

Cllr Mrs Davies (for Cllr Clark)

Also Present

Cllr Mrs Pound
Cllr Tee

Officers Present

Jo-Anne Ireland – Director of Strategy and Corporate Services
Daren Mills – Interim Strategic Procurement Officer
Adrian Tidbury – Estates & Valuation Surveyor – Portfolio Development
Leanna McPherson – Governance and Member Support Officer

403. Apologies for Absence

Apologies for absence were received from Cllr Clark and Cllr Lloyd.

404. Minutes of meeting held 15 January 2014

The minutes of the meeting were approved and signed by the Chairman as a correct record.

405. Procurement Strategy

A new Procurement Strategy had been drafted which set out the Council's procurement objectives and provided an Action Plan on how these were going to be delivered.

A motion was MOVED by Cllr Hirst and SECONDED by Cllr Sleep to move the recommendation as set out in the report.

RESOLVED to approve the Procurement Strategy as a working document to be posted on the intranet and external website of the Council.

406. Brent Hall – Relocation of Access

The Council had been approached by Alliance Planning acting on behalf of the owners of Brent Hall to relocate the existing access to the Hall from the disused access from Warley Gap to a point 150 meters further north due to current nuisances that render the existing access difficult to use.

The report considered the implications of the proposal to provide a new access to Brent Hall on the Little Warley Common and of the application process under the Commons Act 2006.

A motion was MOVED by Cllr Mrs Murphy and SECONDED by Cllr McCheyne to approve the recommendations as set out in the report.

During the debate, a Member requested that it be recorded in the minutes that the process was very slow, taking approximately 2-3 years to reach Committee. It was considered that a review of the process be considered.

An amendment to recommendation 2.3 was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell as follows,

2.3 To enter into negotiation with the applicant on the successful conclusion of the consultation process for a 50% share in the uplift to the value of the property, and that the valuation in question be derived at applicant cost by obtaining valuations from three RICS surveyors.

The amendment was ACCEPTED.

RESOLVED UNANIMOUSLY

1. To agree the commencement of the consultation process leading to the relocation of the existing access to the new location as shown in the Appendix 2 of the report.
2. That all costs including legal and associated consultation costs are funded by the applicant.

3. To enter into negotiation with the applicant on the successful conclusion of the consultation process for a 50% share in the uplift to the value of the property, and that the valuation in question be derived at applicant cost by obtaining valuations from three RICS surveyors.

(Cllr Parker declared a disclosable pecuniary interest under the Councils Code of Conduct by virtue of the applicant being a business acquaintance who he had also undertaken work for, and therefore left the Chamber taken no further part in the discussion or vote).

15th July 2014

Agenda Item: 3

Asset & Enterprise Committee

Asset Management Strategy 2014/15

Report of: *John R Parling, Strategic Asset Manager*

Wards Affected: *None*

This report is: *Public*

1. Executive Summary

- 1.1 The Strategy sets out the aims and objectives for the forthcoming year for the Council's property asset portfolio as well as setting out the achievements accomplished in 2013/14.
- 1.2 The Strategy highlights the entrepreneurial approach to the Council's management of its assets going forward.

2. Recommendation(s)

- 2.1 That the Committee approves and adopts the Asset Management Strategy 2014/15 (Appendix A).

3. Introduction and Background

- 3.1 The Report sets out the key actions for 2014/15, the size and value of asset portfolio, achievements in 2013/14, details of the Strategic Asset Management Team, objectives, governance, strategy for 2014/15 and how the strategy will be implemented.
- 3.2 The key actions for 2014/15 will be:
 - Asset Challenge Review
 - Delivery of Major Projects
 - Develop Housing for Social and Private Tenants
 - Maximise Revenue and Capital Receipts

- 3.3 Asset Challenge Review - the Strategic Asset Management Team (SAMT) will undertake a forensic review of all the Council's assets with the exception of HRA dwellings to determine usage and whether assets are being put to best use and whether there are alternative and better solutions to deliver the same outcomes.
- 3.4 Delivery of Major Projects –SAMT will endeavour to progress and complete the principal projects including sales.
- 3.5 Develop Housing for Social and Private Tenants – SAMT will work closely with Housing to identify sites and opportunities for the Council to acquire residential units and also develop where appropriate.
- 3.6 Maximise Revenue and Capital Receipts – SAMT will ensure that best value is achieved in acquisitions and disposals. SAMT will identify opportunities for the Council to generate additional revenue by acquisition or better use of the existing portfolio.

4. Issue, Options and Analysis of Options

- 4.1 The Asset Management Strategy 2014/15 (Appendix A) outlines a change in the way that the Council's assets are managed. It puts forward a comprehensive and coordinated structure and implementation solutions to ensure that the Council's asset portfolio is efficiently and effectively managed to ensure best use and to maximise revenue and capital receipts.

5. Reasons for Recommendation

- 5.1 Recommendation is to approve and adopt the Asset Management Strategy 2014/15 (Appendix A) to ensure that that Council manages its estate in accordance with statutory requirements and in accordance with the principles of good estate management.

6. Consultation

- 6.1 None at this stage

7. References to Corporate Plan

- 7.1 Corporate Plan 2013 –16, specifically:

- a) A Prosperous Borough
- b) Set planning policy that supports discerning economic growth and sustainable development

c) Promote a mixed economic base across the Borough, maximising opportunities in the town centres for retail and balanced night time economy.

8. Implications

Financial Implications

Name & Title: Jo-Anne Ireland, Acting Chief Executive

Tel & Email 01277 312712/ jo-anne.ireland@brentwood.gov.uk

8.1 There are no direct financial implications at this stage, although future reports on individual transactions/recommendations will detail relevant implications

Legal Implications

Name & Title: Alison Stuart, Head of Legal Services

Tel & Email Alison.stuart@bdtlegal.org.uk

8.2 None

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

8.3 None

9. Background Papers

9.1 None

10. Appendices to this Report

Appendix A - Asset Management Strategy 2014/15

Report Author Contact Details:

Name: John R Parling, Strategic Asset Manager

Telephone: 01277 312690

E-mail: john.parling@brentwood.gov.uk

2014/15

Foreword**By Councillor Russell Quirk**

Brentwood has an extensive property portfolio and it is the Council's largest physical resource and effective management of the property portfolio is crucial for the day-to-day delivery of services as well as the long-term financial viability of the Council.

The Council now has a strong entrepreneurial agenda and an imperative with current financial constraints to maximise income and where possible utilise assets more progressive to deliver a financial return to the Council thereby protecting frontline services. A number of new initiatives will be actively pursued including the acquisition of assets to provide an alternative revenue stream to mitigate the effects of reducing Central Government support and also the disposal of assets that are surplus to requirements and serve no purpose commercially or to the community. We will also provide additional Council Housing units to provide much needed low cost housing to the residents of the Borough and at the same time we will investigate the provision of housing to the private rented sector

This revision to our previous Asset Management Strategy will allow us to make informed decisions about our assets in order to help us maintain and deliver high performing public services from them directly or indirectly.

Our Asset Strategy is built upon the foundations of previous plans. We will continue our earlier work to improve value for money whilst making more effective use of our asset base. We also hope to lead the way in minimising energy bills by running our buildings in an energy efficient way.

This document forms part of a suite of corporate documents supporting the Corporate Plan. This is a resource plan for the Council that links to and complements the Medium Term Financial Plan (MTFP) as well as our partner's resource plans.

This strategy takes a new approach towards getting the most from our asset base, its delivery requires a new way of thinking to be embedded throughout our organisation. With the pressures on public finances, we need to develop an approach that caters for our future operational property requirements and provides a framework in which to make decisions about investment, retention and disposal of our assets generally

Signed Councillor Russell Quirk

Brentwood Borough Council

Asset Management Strategy 2014/15

Contents

- 1.0 Executive Summary
- 2.0 The Council's Aims & Objectives
- 3.0 The Council's Property Portfolio
- 4.0 Achievements (2013/14)
- 5.0 New Asset Management Structure & Team
- 6.0 Property Objectives & Outcomes
- 7.0 Strategic asset Management & Governance
- 8.0 Property Strategy Summary (2014/15)
- 9.0 Implementation

Appendices

A – Asset Schedule

B – Asset Action Plan Summary

C – Asset Management Procedures

1.0 Executive Summary

Brentwood has a population of around 73,600 people an area of about 15,300 ha and excellent road and rail connections to London and East Anglia.

Property is Brentwood Borough Council's (BBC) largest physical resource in financial terms and is fundamental in providing support to all service users. Therefore, effective corporate asset management must be an integral element of high quality service planning and delivery.

Effective asset management can play a major role in delivering better outcomes for citizens, creating a sense of place and generating efficiency gains.

Strategic Asset Management “seeks to align the asset base with the organisation’s corporate goals and objectives. It ensures that the land and buildings asset base of an organisation is optimally structured in the best corporate interest of the organisation concerned.”

Property is expensive to procure, manage and maintain, and can be inflexible in responding to changing service needs. It is essential that asset management is at the centre of the Council’s corporate forward planning processes. Only in this way can the use and efficiency of the property portfolio be maximised to support and facilitate modern ways of working and make a long term, positive contribution to successful and efficient service delivery.

This Strategy sets out the overall context for asset management and references and identifies the key actions for 2014/15 which are:

1. Asset Challenge Review
2. Delivery of Major Projects
3. Develop Housing for Social & Private Tenants
4. Maximise Revenue & Capital Receipts
5. Acquisition of Revenue Generating Opportunities

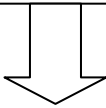
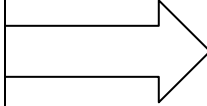
The rationale for the Key actions is demonstrated by the following diagram

Business Objectives

- Enhancing the environment and attractiveness of the borough.
- Enhancing and supporting our communities.
- Promote a mixed economic base across the Borough.
- Broaden the range of housing in the borough to meet the needs of our population now and in the future.
- Promote Brentwood as a safe place to live and celebrate our successes.
- We will become more entrepreneurial.

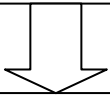
Property Objectives

- A lean operational property portfolio.
- Supporting regeneration, environmental, community and customer service objectives.
- Investment property making the optimal financial contribution to the Council.
- Well managed and efficient operational property.
- Working with our partners and communities.
- High performing asset management service.
- Effective programme and project management and robust performance management.



Asset Strategy

Property Theme	Property Categories
<ul style="list-style-type: none"> • Improved Corporate Asset Management 	<ul style="list-style-type: none"> • Roll out Corporate Landlord approach to asset management • Rolling Asset Challenge Property review • Housing/Property Development programme • Updated AMP and supporting guidance and procedures • Resourced planned preventative maintenance strategy
<ul style="list-style-type: none"> • Better use of resources 	<ul style="list-style-type: none"> • Delivering projects for optimising returns from our property portfolio. • Clear disposal checklist
<ul style="list-style-type: none"> • Increased financial accountability 	<ul style="list-style-type: none"> • Tight budgetary control and performance management
<ul style="list-style-type: none"> • Increased customer satisfaction 	<ul style="list-style-type: none"> • Office Accommodation • Building Maintenance • Better Property Data and Reporting of KPIs
<ul style="list-style-type: none"> • Compliance with statutory codes and changes in legislation 	<ul style="list-style-type: none"> • Robust compliance regime
<ul style="list-style-type: none"> • Environmental impact 	<ul style="list-style-type: none"> • Deliver Energy Management Programme
<ul style="list-style-type: none"> • Devolution and localism 	<ul style="list-style-type: none"> • Devolution Assets Schedule • Support delivery of town centre regeneration programmes

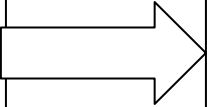


And our desired outcomes.....

1. Utilise our assets to secure the best returns for delivering our Corporate Priorities.
2. Facilitate and bring forward major development regeneration schemes particularly WHW, Town Hall and Crossrail for the benefit of the Borough;
3. Unlock value from land and assets;
4. Attract investment over the long-term based on structured partnerships and agenda for growth;
5. Combine public sector powers such as planning and compulsory purchase with private sector asset management, development and management skills

Action Plan

1. Asset Challenge Review
2. Delivery of Major Projects
3. Develop Housing for both Social and Private lets
4. Maximise Revenue and Capital Receipts
5. Acquire Revenue Generating Assets



2.0 The Council's Core Aims and Objectives

The Corporate Plan 2013-16, sets out a number of priorities for the Council:-

- **Street Scene and Environment**
- **Localism**
- **A Prosperous Borough**
- **Housing, Health and Wellbeing**
- **A Safe Borough**
- **A Modern Council**

The Modern Council Priority specifically states as a short term action that:

“We will review our asset management strategy to support the Priorities of the Corporate Plan and Medium Term Financial Plan”.

It is the purpose of this plan to accelerate progress in identifying savings and opportunities for more entrepreneurial working through an asset challenge process.

Medium Term Financial Plan, Capital Strategy, Funding and Capital Project Delivery

The Council has a Medium Term Financial Plan (MTFP) which forms the framework for the Council's financial planning. The MTFP details the budget setting process to ensure that the Council's resources are managed effectively in order to meet its statutory responsibilities and deliver the aspirations of the Council, over the medium term. In addition to this, as part of the Medium Term Financial Planning process, a Savings Strategy has been developed as part of the Council's New Ways of Working Transformation Programme, which clearly identifies a number of key savings which are to be achieved in order to maintain a balanced budget.

Capital Strategy

The Capital Strategy provides the framework within which the Council will manage the use of its available capital resources to support the acquisition of new and/or enhance the existing capital asset infrastructure.

The key objectives of the Capital Strategy are to provide focus for the following:

- **Management of Assets** - to maximise the effective use of the Council's wide range of assets ensuring value for money in all areas of acquisition, management, disposal, repair and maintenance in the provision of the Council's services.
- **Financial Resources** - to maximise all potential funding opportunities where these are consistent with the Council's key priorities and service delivery requirements.
- **Project Appraisal** - to ensure that all project proposals are developed in line with the Council's key priorities demonstrating an effective business need, contribution to operational efficiency and sustainability, and value for money.
- **Prioritisation** - to ensure the effective prioritisation of capital schemes in line with agreed spending priorities and available resources.
- **Procurement** - To maximise value for money achieved in all aspects of procurement relating to the delivery of the capital programme.
- **Programme Management** - To maintain robust procedures for managing and monitoring the agreed capital programme to ensure approved schemes are delivered on time, within agreed resources and in accordance with their programmes, output targets and value for money.

The Capital Strategy encompasses the Asset Management Strategy and the two documents combined explain how the Council will use assets and capital investment to enable the continuous improvement in service delivery.

Funding the Capital Programme

The key sources of funding for the Capital Programme are as follows:

- **Prudential Borrowing** – the Council has freedom to undertake borrowing to finance capital expenditure so long as it is prudent, affordable and sustainable. The Council must consider and meet the whole costs associated with borrowing and be mindful that the interest charges in particular must be funded from the General Fund.
- **Capital Receipts** – capital receipts arising from the sale of assets contribute to resources available to fund the Capital Programme. As there is a significant degree of uncertainty in the level and timing of the capital receipts, a pre-requisite for managing capital investment is that these are kept under close review to minimise

the risk of possible exposure to unplanned borrowing with its potential adverse impact on revenue.

- **Capital Grants** - the Council receives a variety of external funding, normally in the form of capital grants, which are either secured via a bidding process or are automatically allocated through Government departments or agencies for specific purposes.
- **Section 106 Contributions** – under Section 106 of the Town and Country Planning Act Local Authorities are able to negotiate financial contributions from developers towards the cost of the provision of off-site infrastructure, facilities and/or services. These contributions need to be reasonably related to the development which is the subject of the planning application. Where applicable these will be applied to support capital investment.
- **Community Infrastructure Levy (CIL)** – CIL will require an adopted Infrastructure Delivery Plan (IDP), through the Local Development Plan process. The earliest date for CIL implementation is April 2015 in order to meet consultation and approval processes, and so any capital expenditure related to CIL cannot be programmed until then. During 2014/15, the Council will work with partners to draft a capital programme. Once CIL is implemented, it will be the responsibility of the Council, as the CIL Collection Authority to programme and spend income received to deliver the IDP.
- **Leasing** – Local Authorities may fund capital expenditure by way of a lease, either by a finance lease, where all the risks and rewards of ownership are transferred to the lessee, or an operating lease, which is effectively a hire purchase agreement, where ownership of the asset stays with the lessor. Where appropriate, leasing is considered as a funding option and as with borrowing the revenue consequences need to be considered. It is important to ensure that there is adequate revenue budgetary provision to meet any future leasing liabilities. In addition the International Financial Reporting Requirements (IFRS) are such that most leases are classified as finance leases and therefore treated as capital expenditure.

Capital Project Delivery

The Strategic Asset Management Team will work with Financial Services in delivering Capital Projects.

As part of the Local Development Plan process a number of sites will be identified to accommodate the forecast demand for employment and residential use. These will be included in the scope of this Asset Management Strategy when allocations have been

made. These sites could have development potential and be a source of future capital or revenue income, which will be identified through the asset challenge programme.

Other resources available to fund this plan include:

- HRA Right to buy receipts which will be invested in the provision of affordable housing.
- Annual grant from Government to support the community asset transfer agenda.
- Section 106 contributions, where applicable and emerging CIL contributions
- Borrowing which may be appropriate for projects which provide a revenue stream or realise revenue savings which would cover the payments
- Use of reserves
- The New Homes Bonus Grant which remains a flexible, non-ring fenced fund for Local Authorities to spend as they deem appropriate. This could include:
 - Reinvesting in housing or infrastructure
 - Support for local services or facilities
 - General financial support to hold down Council Tax levels

At this time, the Council currently utilise's the Grant to support the overall General Fund Budget and hold down Council Tax levels.

3.0 The Council's Property Portfolio

The Council owns and operates a range of assets Appendix 1 – Asset Schedule.

Some assets are held for accounting purposes in the General Fund while others are held in the Housing Revenue Account (HRA).

We have broken the portfolio down as follows (the figures show the number of properties in each category and aggregated value.

The Council's Property Portfolio (General Fund)

Property Type	Quantity	Value £,000
Investment Properties	7	2,745
Assets Held for Sale	1	400
Community Centres	2	574
Halls	6	1,643
Sports Centres	1	130
Cottages	1	638
Coach Houses	1	401
Pavilions	3	240
Cemetery – Lodge	1	125

Cemetery – Chapel	3	534
Training Centre	1	310
Depot	1	1,275
Car Park	11	15,496
Offices & Premises	3	1,056
Golf Course	1	1,614
Sports grounds and playing fields	10	2,342
Changing rooms	2	261
Play Areas	6	488
Infrastructure	13	298
Land	8	562
TOTAL		31,132

Note – Valuations are carried out for accounting purposes on the basis of IFRS accounting basis and may not reflect necessarily potential market or development value of the assets:

Housing Revenue Account

Property Type	Quantity	Value £,000
Dwellings	2532	186,282
Sheltered Scheme/Communal Lounges/Halls	10	639
Garages	400+	5,551
Shops	24	2097
Land	2	114
Total		194,683

4.0 Achievements 2013/14

The past year has seen progress continuing to be made in the asset management function. Significant progress has been made catching up with the backlog in the maintenance properties and tackling urgent and essential works and compliance.

Achievements in specific work areas is set as follows;-

4.1 Estates & Valuation

	Project	Activity	Progress
Asset Register		Compiled data on spreadsheet scheduling Council's assets.	Completed
Business Rates		Instructed specialised Rating Consultant to review 2010 Rating assessment	Ongoing
Cross Rail		Actively participated in the Working Group	Ongoing
Valuation		Arranged tender and appointment of Valuer for the annual revaluation of HRA and GF assets	Ongoing: to be completed 30 June 2014
Corporate Landlord		The concept of Corporate Landlord considered and discussed	Ongoing
Repairs & Maintenance		A planned maintenance programme for the inspection of assets, for H & S, and testing of services was undertaken	Completed but ongoing
Repairs & Maintenance Contract		Involved in the awarding of the Corporate R & M contract to Wates	Completed and contract awarded 4 th June 2014
Delivery of Construction Projects including Housing		Investigation of the SCAPE method of procurement of construction for possible use in the provision of the Town Hall refurbishment and social housing	Ongoing
Rent Reviews			Ongoing

Lease Renewals/Lettings			Completed but ongoing
Licences		Advertising Hoarding reviewed and arrears	Completed

4.2 Community & Heritage Assets

Asset	Project	Activity	Progress
Community Centre	Brentwood Leisure Centre	Boiler and Lift maintenance work completed	Completed
Clubhouses	Shenfield Scouts	New lease granted	Completed
Golf Course	King Georges Playing Field	Reviewed operation of golf course and options.	Ongoing
Sports Grounds & Playing Fields	Brentwood Rugby Club	Discussions ongoing regarding new lease	Ongoing
	Brentwood FC, Hutton FC & Shenfield CC	Discussions ongoing regarding their development and growth	Ongoing
	King Georges Playing Fields	Discussions ongoing regarding over-arching management regime	Ongoing
Changing Rooms	King Georges Playing Fields	Roof of Pavilion surveyed and schedule of works prepared	Survey completed
	King Georges Playing Field	Terms agreed for an Adventure Golf Course	Completed

4.3 Operational Properties

Asset	Project	Activity	Progress
Town Hall	Refurbishment	Participated in Working Group	Ongoing
Car Parks	MSCP	Concrete survey commissioned to determine extent of remedial works	Survey awaited

4.4 Non Operational Properties

Asset	Project	Activity	Progress
Hallsford Bridge (Roads)	Repairs	Monitored	Ongoing
Land Drainage Scheme (Ingatestone)	Repairs	Monitored	Ongoing
Ford Car Park, Warley	Revenue	Monitored	No action
Allens Motor Dealership, Warley	Revenue	Monitored	No action
Prospect Way, Hutton	Revenue	Review or Rental Receipts	Ongoing
2 Ongar Road	Revenue	New lease	Completed

4.5 Surplus Properties

Asset	Project	Activity	Progress
Bell Mead, Ingatestone	Sale	Terms agreed but stalled due to planning issues	To be reviewed
Old House, Brentwood	Sale	Terms agreed but purchaser withdrew	To be reviewed
Warley Training Centre	Sale	Terms agreed but purchaser withdrew	To be reviewed
Hallsford Bridge Industrial Estate	Sale	Has been marketed but with limited interest	To be reviewed
William Hunter Way	Development	Agreement with developer terminated	Stalled
Swan Pond	Community Asset Transfer		Completed
Crown Street (car park)	Sale	£286,750	Completed
Hutton Parish Hall	Sale	£440,000	Completed
Garden Sales	Sale (14)		Completed

4.6 Capital Projects/ Planned Maintenance/ Compliance

A significant number of maintenance projects have been instigated and undertaken, including:-

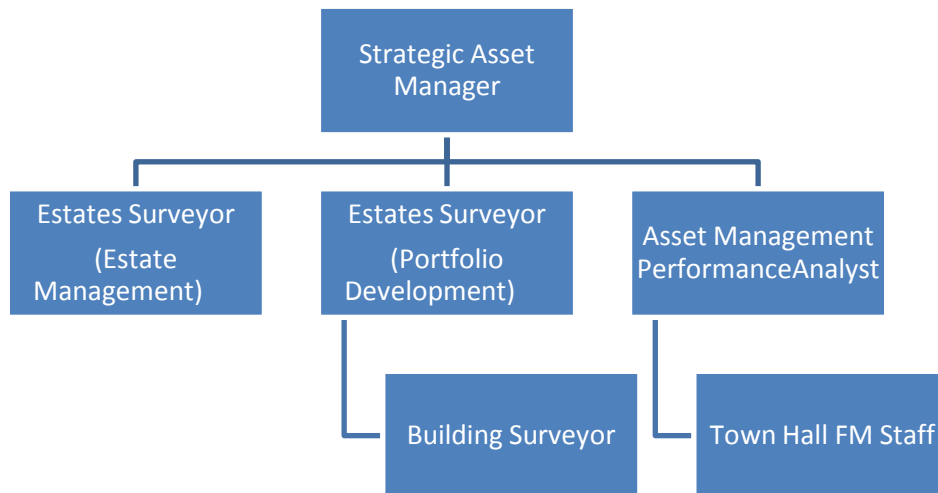
Asset	Project	Cost	Progress
Depot Warley	Construction of Inspection Pits	£70,000	Completed
Car Park Schemes	Coram & Gloucester Road	£57,000	Completed
Water Monitoring	Legionella	£27,000	Completed
Electrical Remedial Works	Safety Works	£24,000	Completed
Merrymeade House	Drainage System	£12,500	Completed
Planned Maintenance Programme	Miscellaneous	£45,000	Completed but ongoing
Hutton Community Centre	Refurbishment	£165,000	Completed in accordance with agreed works specification.

5.0 New Asset Management Structure and Team

A new Strategic Asset Management Team structure has been developed. The team will also undertake day to day to management of corporate investment and operational property including providing facilities management services in Brentwood Town Hall. The team will be closely aligned to the Housing Management Team.

The Strategic Asset Management structure seeks to balance strategic asset management skills with operational asset management delivery skills. Most of the team will be professionally qualified Chartered Surveyors and the structure and responsibilities of the team will be as follows:

STRATEGIC ASSET MANAGEMENT TEAM



i) Strategic Asset Manager

Senior Manager for Asset Management and manages Asset/Property Management function

- Focus on Achievement (Results)
- Focus on Contribution (Future)

ii) Estates Surveyor (Estate Management)

Responsible for a broad range of estates management duties which including

- Acquisitions and CPO
- Disposals
- Lease Management
- Revenue Control
- Valuations
- Rating

iii) Estates Surveyor (Portfolio Development)

Responsible for a broad range of duties relating to the development of the Councils Property Portfolio which could include:

- Development Advice
- Projects
- Regeneration Schemes
- Place Projects
- Planning (Land Use)
- Property Asset Register & GIS

iv) Asset Management Performance Analyst

The post-holder will be responsible for performance monitoring in respect of the Council's assets including analysis, benchmarking, prioritising and reporting. Other duties will include:

- Asset Challenge/Strategic Property Review
- Market Analysis
- Performance Management & Reporting
- Town Hall Facilities Management

v) Building Surveyor

Responsible for property information relating to Council owned or run property, including condition, asbestos, floor plans, Display Energy Certificates and DDA.

- Building Projects
- Programmed Maintenance

6.0 Property Objectives and Outcomes

The aim is to ensure Brentwood's property portfolio is proactively managed in an entrepreneurial manner:

- Rationalisation to ensure maximum use of asset
- Identification of best use
- Ensuring asset is fit for purpose
- Identification of sharing opportunities and sharing services to make efficiency gains
- Improving energy efficiency.
- Realising savings through collaboration, and smarter procurement
- Generating revenue and capital income streams
- Cost effective and appropriate for their use to save money to invest in frontline services.
- Suitably located and accessible
- Supporting the delivery of the Council's objectives
- Ensure the estate is safe and complies with the law.

Good asset management will enable the Council to:

- Deliver better services for citizens, aligned with priorities, and focusing investment on need.
- Empower communities and stimulate debate.
- Improve economic well-being.
- Ensure that, once built, assets are correctly maintained.
- Introduce new working practices and trigger cultural organisational changes.
- Reduce carbon emissions and improve environmental sustainability.
- Increase co-location, partnership working and sharing of knowledge.
- Improve the accessibility of services
- Generate efficiency gains, capital receipts, or an income stream.
- Improve the quality of the public realm.
- Invest in the maintenance of our assets via a planned maintenance programme which will seek to maintain the portfolio in a good condition.

The aims for the performance of the property portfolio include:

- Effective Planned Maintenance and dealing appropriately with any outstanding backlog.
- Suitability and sufficiency and efficient usage.
- Effective and efficient use of resources to achieve value for money.
- Disposals in pursuit of key priorities.

- Disposals to raise capital receipts or to utilise assets to generate new or improved revenue income.
- Economic and Environmental Sustainability.
- Robust links to service delivery.
- Performance indicators – improving asset performance.
- Best practice in asset management.
- Appropriate financing models.
- Improved fitness for purpose of buildings we retain.
- Meeting statutory obligations

Brentwood Borough Council has secured external contractors to deliver high quality, cost effective maintenance services in respect of General Building Works, Lifts Maintenance and Mechanical and Electrical Services. The contracts provide for a relationship to be developed between the Council and its Service Providers, based on a collaborative approach and on established partnering principles. This means that the Council will ensure that its customers receive services in a way that is flexible, convenient and pleasant for them, in a way which reduces costs for the Council and in a way which protects the contractor's profitability and reputation. The contracts are for a 5 year period with a commencement date of 4th June 2014. The approach will include:

Trust, openness and honesty;

- Good communication;
- Proactive problem solving;
- Devising and implementing approaches which reduce cost and enhance quality;
- Sharing of risks and rewards;
- Sharing of information and ideas.

7.0 Strategic Asset Management and Governance

The Councils Asset and Enterprise Committee is responsible for approving the Asset Management Strategy and the supplementary the Asset Management Action Plan which delivers the Asset Management Strategy.

The Strategic Asset Manager reports directly to the Director of Strategy & Corporate Services (S151 Officer) and is responsible for ensuring implementation of the Strategy Activity

7.1 Governance

Best Value Considerations.

- Section 123 of the Local Government Act 1972 requires that (except with the consent of the Secretary of state) the Council may not dispose of land (sale or letting) for a consideration less than the best that can be reasonably obtained other than by way of a short tenancy, i.e. that is 7 years or less.

- By virtue of Section 120 of the Local Government Act 1972 the Council may acquire land by agreement for any of its statutory functions or for the benefit, improvement or development of their area, whether situated inside or outside their area. The Council is not under an explicit duty to acquire property at market value but must have regard to its fiduciary duties.

Disposals at Less than Best Consideration

- The General Disposal Consent (England) 2003 allows Council's to consider disposal at a reduced price if the purpose for which the land is to be disposed of is likely to contribute to the promotion or improvement of the economic, social or environmental wellbeing of its area subject to the aggregate of undervalue not exceeding £2m.

Social Value

- The Social Value Act (2012) brings a statutory requirement for public authorities to have regard to economic, social and environmental well-being in connection with public service contracts and for connected purposes. Social value is a concept which seeks to maximise the additional benefit that can be created by procuring or commissioning goods and services above and beyond the benefit of the goods and services themselves.

Social Value will be taken into consideration in respect of any property related matters. Social value looks at aspects of citizens' well being such as their ability to participate in making decisions that affect them e.g. consulting the public and stakeholders in respect of the proposed town centre regeneration scheme.

Localism

- The Council has in place a Community Asset Transfer Strategy to support the provisions outlined in the Localism Act

Assets of Community Value (England) Regulations 2012

- The Council has established a process to consider nominations from the community to a List of Assets of Community Value. If an asset on this list is subsequently offered for sale the local community may then have a short period of time in which to make an offer to the owner to purchase the asset. Council owned assets meeting the definition of a community asset could be nominated to the list by community organisations.

Best Practice Approach to Asset Management

- The Council is guided by its Corporate Plan, recognised good practice including CIPFA and RICS guidance and will maintain an awareness of new initiatives and ongoing changes occurring in the management of public sector property assets. The Council will consider membership of the CIPFA Asset Management Planning Network which meets regularly to receive information on Government and wider asset management activities. This also enables networking opportunities with other public and private sector organisations. It will also consider membership of the regional Asset Management Planning Forum:

8.0 Property Strategy Summary (2014/15)

The Strategic Asset Management Team will be entrepreneurial and proactive in pursuing the better management of the Corporate Estate and also supporting both partners and communities to improve services and urban and rural environments.

The specific aims of the Team are summarised below:

Revenue	Maximise revenue from existing assets by implementing rent reviews, lease renewals as appropriate
Capital Receipts	Maximise capital receipts from disposal of surplus assets
Acquisition of Revenue Assets	Investigate the acquisition of commercial assets to generate a positive revenue stream
Acquisition of both Private and Social let Residential Units	Investigate the establishment of a corporate structure to enable the acquisition and letting of private rented stock to derive a positive revenue stream. Investigate opportunities to acquire social/affordable residential units either from the partners and also from identifying opportunities from within the HRA portfolio to develop stock
Asset Transfer	Support the localism initiative through the transfer of community assets to Parish/Town Councils or Community Groups in appropriate cases.
Co-Location	Co-locate with other public and community bodies in appropriate cases where it results in improved service delivery and/or reduced costs.
Data Management	The Strategic Asset Management Team will establish an electronic property and facilities management database to improve effectiveness and efficiency.
Employment	Facilitate employment opportunities across the Borough through the use of its property assets wherever possible.
Equalities and Access	Ensure its buildings are compliant and accessible to the public.

Heritage and Environment	Have regard to Heritage and Environmental considerations.
Facilities Management	The Strategic Asset Management Team will manage and coordinate Town Hall facilities management.
Maintenance and Repair	Continue ongoing regular investment in its assets via a planned maintenance programme, which seeks to eradicate our maintenance backlog and sustains the portfolio in good condition.
Asset Challenge	The Council will undertake a comprehensive asset challenge of the Council's portfolio
Role in Regeneration	Use property holdings and/or capital investments to facilitate appropriate regeneration projects in the Borough to promote and improve our town centres increasing job prospects and supporting business.
Asset Opportunities	Identify and investigate any mid or long term property development opportunities that may generate capital and revenue income streams in the future.
Affordable Housing Provision	Continue to support and facilitate affordable housing in the Borough through working in partnership with housing providers and other organisations.

8.1 Estates & Valuation

Specific activities will include:

	Project	Activity
Asset Register	Electronic Data Storage	Transfer of data from paper to electronic system to ensure that records are robust and transparent
Business Rates		Pursue appeals against the 2010 Rating assessment to reduce occupational costs
Corporate Projects	Cross Rail, William Hunter Way, LDP, Old House	Actively participate in Working Groups to ensure that commercial opportunities are exploited
Valuation		Arrange for the annual revaluation of HRA and GF assets to be actioned
Corporate Landlord		Develop concept of Corporate Landlord for consideration and discussion.
Repairs & Maintenance		The planned maintenance programme for the inspection of assets, for H

		& S, and testing of services to be further developed to ensure assets are compliant with legislation
Repairs & Maintenance Contract		Monitor R & M contract
Delivery of Construction Projects including Housing		Review use of SCAPE for the delivery of large capital programmes and Housing projects to ensure delivery model appropriate and offers best value. Investigate alternative delivery methods.
Rent Reviews		Instigate rent reviews where appropriate
Lease Renewals/Lettings		Actively pursue opportunities to generate revenue opportunities
Licences		Review Licences and other opportunities revenue.

8.2 Strategy for Community and Heritage Assets

Community Centres	Most of our community centres and halls are leased to Brentwood Leisure Trust (BLT). The options for the future management is to be undertaken to ensure that plans can be put in place prior to the expiry of the current arrangement.
Sports Centres	The Brentwood Leisure Centre – a review of medium term maintenance liability to be undertaken to identify potential costs and options will be investigate to determine alternative delivery solutions. Complete the granting of a new lease to BLT
Public Conveniences	Transfers to partners will be investigated
Clubhouses	Where possible to transfer responsibility for repairs and maintenance to the organisations in occupation.
Cottages	Investigate the possibility of converting service tenancies to Assured Shorthold

	Tenancies (AST's).
Pavilions	Investigate arrangements to transfer repairs and maintenance responsibility to users.
Cemetery – Lodge	Investigate the possibility of converting to AST or equivalent.
Golf Course	Review of options for this operation and the other facilities located within KGPF to reduce cost to the Council and maximise benefits to residents.
Sports Grounds and Playing Fields	Investigate more effective and efficient provision of sports grounds and playing fields for community use.
Allotments	Investigate usage to determine any opportunity to increase revenue or decrease costs

8.3 Operational Properties

Action will include:

Town Hall	Active participation in the major refurbishment and reconfiguration project involving various partners and tenants.
Depot Warley	A review of use to be undertaken to determine efficiency of operations
Car Parks	Review of parking and use to identify opportunities for development or alternative uses

8.4 Non Operational Property

Action will include:

Hallsford Bridge (Roads)	Determine liability and recoverability of maintenance costs
Land Drainage Scheme (Ingatstone)	Review
Retail Units	Monitor and action rent reviews when due
Ford Car Park, Warley	Monitor
Allens Motor Dealership, Warley	Monitor
Prospect Way, Hutton	Monitor
2 Ongar Road	Monitor

8.5 Surplus Properties

A number of assets have identified for disposal, including:

Major Receipts 2014 -2015		
Property	Forecast Receipt	Status
Bell Mead, Ingatestone	£1.2m (less any s106 obligations)	Issues with planning need to be resolved before a planning application is submitted.
Warley Training Centre, Warley	£3.2m (less any s106 obligations)	Currently being re-marketed.
Hallsford Bridge Industrial Estate	£0.3m (less any s106 contributions)	Currently being marketed, limited interest. Possible transfer to HRA being considered, subject to Committee approval
Potential Major Receipts Future Years		
William Hunter Way	£TBA	Site is part of Town Centre Regeneration Project. A working group to be established to review options and direct progress and provide direction.

8.6 Capital Projects 2014/15

Various potential capital projects have been identified, including:

Property	Project	Budget Estimate	Status
Hutton	Parking Bays	tba	
Brentwood Leisure Centre	Plant Replacement & Repair	£100,000	Budget approved
Warley, Football Pavilion	Refurbishment	tba	
Multi Storey Car Park	Concrete Repairs	tba	
Warley, Depot	Reconfiguration	tba	
KGPF	Pavilion Roof	tba	
Hutton Community Centre	Roof Renewal	tba	
Depot (Parks)	Extension	tba	

8.7 HRA Asset Strategy

The Council's HRA assets are summarised below and are also detailed in the HRA Business Plan. The HRA assets includes dwellings let on secure tenancies, leasehold interests, shops, garages, and other associated pieces of land.

The objective of the HRA Business Plan remains to maintain these assets for future housing provision.

The Strategic Asset Management Team will work closely with the HRA Team to identify development opportunities and provide support to deliver as appropriate capital receipts or housing units. The Asset Team will also take over responsibility of managing the HRA commercial properties to ensure that both revenue and capital are maximised. This will also enable HRA staff to focus on the management of the housing stock and provision of tenancy services.

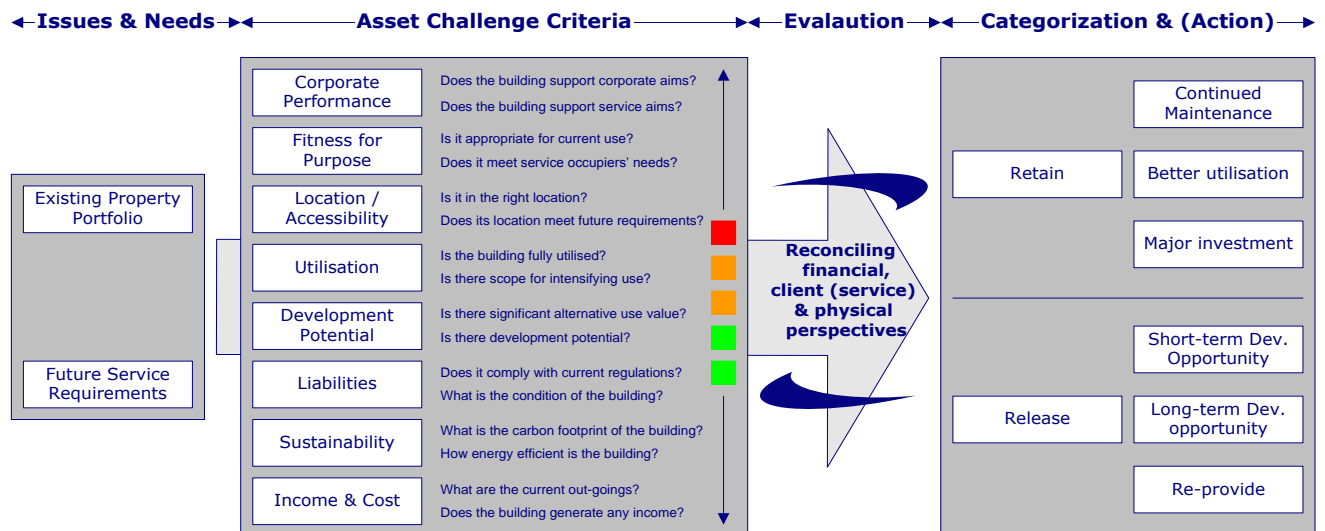
Housing Revenue Account		
Property Type	Quantity	
Dwellings	2532	To be managed by HRA
Rented houses	969	As above
Sheltered Scheme/Communal Lounges/Halls	10	To be managed by HRA – SAM Team to review any external lettings to service providers
Garages	400+	To be reviewed by SAM Team to determine opportunities for improved utilisation
Shops	24	To be managed by SAM Team on behalf of HRA
Open Space & Surplus Land	2	To be reviewed by SAM Team to determine opportunities for improved utilisation

9.0 Implementation

The Strategy will be entrepreneurial in approach and will be implemented by a proactive and vigorous rolling challenge review process:

9.1 Asset Challenge - Property Review

- A rolling programme of property reviews will be reported to the Asset and Enterprise Committee
- The Council will keep under review the business case to retain non-operational assets.
- Performance of the estate will be monitored via regular reporting which will include details of current and estimated future income, arrears and rate of return.
- Heads of Service will be required to account to the SAM Team for assets used to deliver services and challenge ownership requirements on a regular basis.
- Explore every opportunity to review and improve public access to services through co-location and co-working between different agencies to reduce revenue expenditure and carbon footprint as well as provide the potential for capital receipts.
- Our approach to Asset Challenge will be as follows:



General Fund Assets

Location
Danes Way/Hatch Road, Pilgrims Hatch
62 Crown Street Brentwood, CM14 4AX
Alexandra Public House/Warley Hill, Warley
Bannister Drive, Hutton
Kelvedon Close, Hutton
London Road, Brentwood
Oxford Court Warley
Poplar Drive, Hutton
1 King Edwards Road, Brentwood, CM14 4BA
1-10 Prospects Way, Brentwood, CM13 1XA
12-22 White Hart lane
176 Brentwood Road, Herongate
2 Ongar Road, Brentwood, CM15 9AX
41 Honeypot Lane, Brentwood
47 South Street
6 Ingrave Road, Brentwood
7/9 Crown Street, Brentwood, CM14 4B
Alexander Lane, Brentwood, CM13 1AG
Allotments and Gardens, Honeypot Lane Brentwood
Allotments Rear of sow and grow, Ongar Road, Roman Road, Ingatestone
AP Convenience, Victoria Road, Brentwood CM13 5
Arnolds Wood Hutton
Bayleys Mead, Hanging Hill Lane, Hutton
Bellmead Ingatestone
Bishops Hall Community Centre, Elizabeth Road, Pilgrims Hatch, CM15 9NP
Brentwood Borough Council, Town Hall, Ingrave Road, Brentwood, CM15 8AY
Brentwood Centre, Doddinghurst Road, Brentwood, CM15 9NN
Brentwood Training Centre, Essex Way, Warley, Brentwood CM13 3AX
Brickhouse Woods, Doddinghurst road, Brentwood
Brocksparkwood Estate, Hanging Hill Lane Hutton
Burial Ground at St Thomas Church, St Thomas Church, St Thomas Road, Brentwood CM14 4DI

Car park adj Ingatestone and Fryerning Community Association
Car Park, Friars Avenue, Shenfield, CM15 8HY
Car Park, Hunter Avenue, Shenfield, CM15 8PE
Car Service Station, The Drive, Warley, CM13 3
Cemetery Lodge 5, London Road, Brentwood, CM14 4QW
Chapel Croft A, Ingatestone
Chapel, 5 London Road, Brentwood, CM14 4QW
Chatham Way (previously Hart St & Crown St)
Chatham Way , Crown Street
Chatham Way off Kings Road
Chatham Way, Brentwood
Chelmsford Road/Courage playing fields
Christy Hall, Pemberton Ave, The Furlongs, Ingatestone
Church Crescent, Mountnessing
Citizens Advice Bureau, 12 Crown Street, Brentwood, CM14 4BA
Citizens Advice Bureau, 8 Crown Street, Brentwood, CM14 4BA
Clements Park, Hanover Place, Brentwood
Clements Park, Warley
Coach House, Merrymeade,Sawyers Hall Lane, Brentwood, CM15 11
Coptfold Road, Brentwood
Coptfold Road, Brentwood
Costead Manor Road, Brentwood
Cotswold Gardens Hutton
Courage playing fields, Chelmsford Road, Brentwood CM15 8
Courage walk, Hutton
Crescent Road, Warley
Cromwell Road, Brentwood, CM14 5
Crown Street, Brentwood
Curtis Mill Green Navestock
Douglas Matthew House, White Lyons Road, Brentwood
Eagle Way Car Park, Fielding Way, Brentwood, CM13 1JN
Edwards Way Land adjacent Hutton
Electricity Sub-Station, Halsford Way, Brentwood
Fielding Way, Hutton
Former Duchess of Kent Community Centre, Pastoral Way, CM14 5GB
Four Oaks, Ingrave Road, Brentwood
Fryerning Lane, Ingatestone
Green Park Meadow/Peartree Close, Doddinghurst

Hallsford Bridge Industrial Estate
Hare Hall, Shaws Woodland, Hanging Hill Lane Hutton
Harrison Close, Hutton, Essex
Hart Street, Brentwood
Hartwood & Donkey Lane Plantation, Hartwood Road, Brentwood
Hartwood Golf Course, King Georges Playing fields, Ingrave Road, Brentwood CM14
Headley Wood, Woodman Road, Brentwood
Hernshaw Estate Brentwood
Herongate and Ingrave Cricket Green
High Street, Brentwood
High Street, Ingatestone
Highways Warley Depo, The Drive, Great Warley, CM13 3BH
Hoppet, Ingatestone
Hornbeam Crescent recreational area
Hutton Country Park
Hutton Parish Hall, Rayleigh Road, Hutton, CM13 1L2
Hutton Polo Field, Hall Green Lane, Brentwood, CM13 2Q
Hutton Poplars Bowl Club, Poplars Drive, Shenfield, CM13 1AJ
Hutton Poplars Bowl Club, Poplars Drive, Shenfield, CM13 1YU
Hutton Poplars Hall, Poplar Drive, Hutton, CM13 1YU
Hutton Poplars Lodge, Poplars Drive, Shenfield, CM13 1AJ
Ingrave Johnstone Play areas
Kelvedon Green, Doddinghurst
Kensington Road
Keys Hall, The Drive, Warley, CM13 3BP
King George's playing Fields, Ingrave Road, Brentwood, CM1
Kings Road
Knight Way, Ingrave
Land at rear of 86-88 High Street
Land Drainage, Ingatestone
Land Drainage, West Horndon
Larkins Recreational area
Laurel Close
Little warley Common, Childerditch Lane/Hartwood road
London Road Cemetery, London Road, Brentwood, CM14 4QW
London Road Nursery, London Road, Brentwood, CM14 4QW
Lorne Road , Cemetery Lodge, Lorne Road, Warley, CM14 5HH

Lorne Road Chapel, Christ Church Cemetery, Lorne Road, Warley, CM14 5HH
Lorne Road Chapel, Lorne Road Cemetery, London Road, Warley, CM14 5HH
Maple Close, Brentwood, CM13 2EA
Market Place Car Park, Ingatestone
Mayfield Gardens
Memorial Gardens, Kings Road, Brentwood CM14 4
Merrymeade car park, Merrymeade, sawyers Hall Lane, Brentwood, CM15 9
Merrymeade Cottages, Sawyers Hall Lane, Brentwood, CM15 10
Merrymeade Manor House, Merrymeade, Sawyers Hall Lane, Brentwood, CM15 9
Middle Road Allotments, Ingrave
MIND Day Care Centre, 14 Ongar Road, Brentwood, CM15 9AX
Mountney Close, Brentwood
Norman Crescent, Brentwood
North Service Road, Brentwood
Old House 5 Shenfield Road, Brentwood, CM15 8AG
Old Town Hall site, 86 High Street, Brentwood, CM14 4AP
Ongar Road, Pilgrims Hatch, Brentwood
Pepperell House, 44 High Street, Brentwood CM14 4AJ
Play area, Crescent Road, Brentwood, CM14 5J
Porters Close, Brentwood
Priests Field/Common Road, Ingrave
Prospects Way, Brentwood CM13 1XA
Public conveniences High Street, Brentwood, CM14 4RG
Putwell Bridge, South Weald
River Road Allotments
River Road, Brentwood
Rosan Crescent
Scout Area Hutton Recreation Ground
Scout Hut, Wash Road. Brentwood, CM13 1BS
Seven Arches Road, Brentwood
Seymour Playing Fields, New Road, Ingatestone
Sir Francis Way, Brentwood, CM14 4TE
St Charles Road
Tallon Road Industrial Estate, Hutton
Tennis Club, Chafford Gardens, West Horndon, CM3 3NJ
The Broadwalk North recreational area
The Broadwalk South recreational area

The Drive, Warley Business Park
Thorndon Approach, 123 & 125 Brentwood Road, Ingatestone
Thriftwood Estate Hutton
Tipps Cross Remembrance Hall, Blackmore Road, Hook End
Trimble Close, Ingatestone
Walton garden, Hutton
War memorial at Junction of Middleton Hall Lane and Shenfield Road, Brentwood
Warley Playing Fields, The Drive, Warley, CM13 3AR
Warley Woods Crescent
Wash Road, Brentwood, CM13 1
Weald Road Brentwood
Westbury Road, Brentwood, Essex
White Lane/William Hunter Way
William Hunter Way, Brentwood
Woodlands Avenue
Woodman Road Cemetery, Woodman Road, Warley, CM14 5AU

Draft ACTION PLAN

TITLE: Asset Management Strategy
LEAD OFFICER: Strategic Asset Manager

PROGRESS UPDATE:	DATE	V 1.0
R	Target date likely to be missed. Caution	
A	On target to meet completion date. Monitor	
G	Action completed.	

This Action Plan sets out a timetable for developing and implementing the objectives of the Councils Asset Management Strategy. It identifies the key projects, tasks, resources, opportunities, milestones and outcomes for each objective. It suggests the lead responsibility for each Action.

START DATE:	DATE	FINISH DATE:	DATE	NO. WEEKS	52
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REF	TASK DESCRIPTION	RAG	TARGET FINISH DATE	REVISED FINISH DATE	LINK TO ADDITIONAL OD PRIORITIES	RESPONSIBLE	PROGRESS UPDATE
A – CAPITAL & REVENUE INCOME							
AM1.	Old House, Brentwood						Sale of vacant property to achieve a capital receipt
AM2.	Warley Training Centre, Warley						Sale of vacant property to achieve a capital receipt
AM3.	Hallsford Bridge Industrial Estate						Sale of land for employment use to achieve a capital receipt

AM4.	William Hunter Way, Brentwood						Major town centre regeneration scheme.
AM5.							
B – ESTATES MANAGEMENT							
AM.	Pro-actively manage rent reviews/lease renewals and lettings/licences						
AM.							
C – FACILITIES MANAGEMENT							
AM.	Town Hall – refurbishment and reconfiguration project to provide more efficient accommodation for delivery of services and also to provide accommodation for external businesses and partners						
AM							

D – ESTATES MANAGEMENT SYSTEMS GOVERNANCE AND GOOD PRACTICE

AM	Asset Challenge – implement a intrinsic challenge of all assets both GF and HRA to identify opportunities for disposal, development and better use of assets						
AM.	Development of a Community Asset policy						
AM.	Introduce electronic data storage system to improve transparency and also improve efficiency						

E - Communication

AM	Deliver a comprehensive communications plan that is based on the AMS and this Action Plan to avoid duplication and promote increased efficiency						

Asset Management Strategy (2014/15)

Asset Management Procedures

Operational Guidelines and Approach

Asset Acquisitions

The Council's approach to investing in assets for both community gain and financial return would involve the following process and actions:-

- A detailed Business Case covering factors such as market conditions and likely demand for vacant accommodation.
- Full risk assessment
- Due diligence covering everything from the financial soundness of a tenant, building condition and contamination issues etc. This would also include a full understanding of all running costs.
- Timeline for delivery.
- Independent specialist advice e.g., legal, rental, valuation, VAT advice etc.
- Final report to committee for approval

Vacant Property

Whenever any of the Council's major property assets become vacant or surplus, the following actions will be undertaken:-

- Holding costs to be independently scrutinised to ensure value for money either internally (via Audit, Finance, Members or appointed Officers) or through the commissioning of external specialist advice.
- Mothballing the property quickly whilst tenants are being sought to keep holding costs to an absolute minimum.

Transfer

- In order to protect its long term strategic interests there is a presumption that the Council will not enter into any freehold property transactions for non residential properties to a third party unless there are exceptional circumstances.
- The preferred route of transfer of a Council property is via grant of a lease. The leasehold interest will contain various covenants regulating future use and repair of the property (if applicable).

- When considering the future of any property declared surplus to the Council's requirements, options for demolition/site retention, transfer through Community Asset Transfer Strategy, transfer via development partnership or disposal to another public agency with known needs will be considered. Ward Members will be part of the notification process.

Efficiency

- Land and property occupation costs and property utilisation will be monitored by Finance and Resources Committee
- Land and property running costs, including those relating to energy costs will be minimised, All land and property users have an obligation to significantly reduce running costs.

Sustainability

- New and refurbished buildings and will be sustainable, based on whole life cycle costing and not initial capital outlay. All new buildings and those subject to significant refurbishment works must have a Building Research Establishment Environmental Assessment Method (BREEAM) rating of not less than good.

GUIDELINES

Disposals at less than best consideration.

The Council will follow best practice guidance including Public Sector Asset Management guidelines relating to disposals at less than best consideration.

Disposals

Definitions

A disposal is defined as the transfer of the freehold or leasehold interest of land and/or buildings to a third party, or the passing of possession of land and/or buildings to a third party under management agreements and licences to occupy.

Property Identification

A property for possible disposal may be identified in the following ways:

- Through the Council's asset challenge review process which identifies property surplus to requirements.
- Through service departments declaring specific sites as surplus to requirements.
- Through identifying previously unidentified surplus land from the asset management system.

Before a property is formally declared as being surplus to requirements consideration should be given to the suitability of the property for other Council uses.

Initial Investigations

Once a property has been identified as potentially surplus, the Corporate Property Officer will consult with the statutory authorities, as well as all relevant internal Council services to establish whether there are any development constraints on the site.

Ground investigation works and studies into previous land use history will be carried out as appropriate.

Valuations

A valuation of the property for disposal should be undertaken at the earliest opportunity in the process. Where it is decided to negotiate in-house a disposal to a single party, rather than offer on the open market, it may be appropriate to obtain a valuation from an external RICS registered valuer.

Transfer of assets to the community

Each request will be considered in accordance with the Council's Community Asset Transfer Strategy and Best Practice Guidance including RICS guidance on disposals at less than best consideration.

Method of Disposal

The SAM will recommend a method of disposal and marketing strategy.

Unless there is a special case, all potential purchasers are to be given an opportunity to tender / submit an offer in accordance with the Council's standing orders.

Where appropriate, development sites should be sold with outline planning permission and should be subject to a caveat that requires development within an agreed timetable to avoid land banking.

All disposals will be conducted in accordance with the Council's financial standing orders and scheme of delegations and in particular those relating to the disposal or acquisition of land and buildings.

Timing

The timing of any marketing / disposals should be considered in the context of the Council's budgetary requirements, together with the current property market conditions.

Negotiations

All negotiations for disposal should be conducted by a suitably qualified property professional and a member of the Royal Institution of Chartered Surveyors.

Instructions / Completion

Once a purchaser has been identified and all the terms of the disposal have been agreed, the SAM will instruct Legal Services.

When completion of the property has been achieved the data base will be updated and the insurers notified.

Acquisition (Non Residential)

An acquisition is defined as the transfer of the freehold or long leasehold (ground lease) interest of a property from a third party.

Procedure

Reason for Acquisition

A statement setting out the business case justifying the need for the acquisition of land or property. The business case will have regard to the Council's statutory or discretionary powers to provide services and its corporate aims and objectives.

In normal circumstances the Council should only consider acquiring land or property if it:

- (a) contributes toward the provision of a Council service and has been identified as a priority need within the service's Business Plan and the Council's Corporate Asset Management Strategy;
- (b) is required for strategic purposes; or
- (c) provides a sound investment with a potential future return.

Property Search

If a need for property has been identified, the SAM will undertake investigations as to whether suitable land or property is already held by the Council.

If no suitable property is identified, the SAM will undertake a property search to establish whether a suitable property might be available on the market.

A schedule of suitable properties should be prepared. The schedule should indicate price, location, condition, availability, type of tenure etc.

A short-list of suitable properties should be identified. Options appraisals to be prepared to establish the budgetary implications of acquiring the property in terms of initial capital costs and future revenue costs based on a Whole Life Costings approach. Implications for the current estate should be reviewed. Consideration should be given to:

- Any costs in acquiring the property
- Any revenue costs
- Availability of funding sources
- The cost in terms of both capital and revenue of holding the property, including:
- Immediate refurbishment/maintenance costs

- Future maintenance/life cycle costs
- Business rates
- Insurance
- Operating costs
- ICT costs
- Costs of equipment, furniture and moving
- Costs associated with releasing existing property as a result of acquiring new property i.e. dilapidations payments, disposal costs or adaption costs

Where surveys cannot be commissioned prior to the appraisal to determine the above costs then it should be noted within the appraisal that the costs are estimates.

Due regard should be had to the effect on existing budgets

All negotiations should be carried out on the most advantageous terms to the Council that can be reasonably obtained consistent with fairness to all interested parties subject to any relevant statutory provisions and appropriate financial regulations.

Once appropriate authority has been obtained for the acquisition, Legal Services shall be instructed to complete the matter.

All acquisitions will be conducted in accordance with the Council's financial standing orders and scheme of delegations and in particular those relating to the disposal or acquisition of land and buildings,

On exchange of contracts the Insurers should be advised and provided with the property's reinstatement value.

On completion of the acquisition, details should be inputted into the property management system.

Acquisitions (Residential)

Definitions

An acquisition is defined as the transfer of the freehold or long leasehold (ground lease) interest of land and property from a third party.

Procedure

The SAM together with the Head of Housing will agree and secure approval for what sites/properties should be prioritised and agree the strategy for securing the identified sites/properties.

Reason for Acquisition

In normal circumstances the Council should only consider acquiring residential land and property if it:

- contributes toward the provision of the Housing service and has been identified as a priority need within the service's Business Plan and the Council's Corporate Asset Management Strategy;
- is required for strategic purposes; or
- provides a sound investment with a potential future return.

Property Search

The SAM will undertake investigations as to whether suitable land and property is already held by the Council.

If no suitable land and property is identified, the SAM will undertake a search to establish whether suitable land and property might be available on the market.

A schedule of suitable land and property should be prepared. The schedule should indicate price, location, condition, availability, type of tenure etc.

After consultation with the Head of Housing a short-list of suitable land and property should be identified by the SAM. An options appraisal to establish the budgetary implications of acquiring land and property in terms of initial capital costs and future revenue costs based on a Whole Life Costings approach should be undertaken. Implications for the current estate should be reviewed. Consideration should be given to:

- Costs in acquiring the land and property
- Revenue costs
- Availability of funding sources
- The cost in terms of both capital and revenue of holding the land and property, including:
 - Immediate refurbishment/maintenance costs
 - Future maintenance/life cycle costs
 - Business rates
 - Insurance
 - Operating costs
 - ICT costs
 - Costs of equipment, furniture and moving
 - New Homes Bonus
- The potential number of units/buildings that can be accommodated within the land and property.
- Where surveys cannot be commissioned prior to the appraisal to determine the above costs then it should be noted within the appraisal that the costs are estimates.

A financial appraisal report should be submitted to the appropriate committee to obtain approval for the Property Officer to undertake negotiations for the acquisition of the preferred land and property. All negotiations to be “subject to contract”.

All negotiations should be carried out on the most advantageous terms to the Council that can be reasonably obtained subject to any relevant statutory provisions and appropriate financial regulations. Consideration should be given to what surveys are required and when they should be undertaken, in any event, all required surveys should be undertaken prior to exchange of contracts. .

All acquisitions will be conducted in accordance with the Council’s financial standing orders and scheme of delegations

On exchange of contracts the Insurers should be advised and provided with the property’s reinstatement value.

On completion of the acquisition, details should be inputted into the data system and/or Housing asset database.

The procurement of the contractor and professional team to undertake any works should follow the procedures as set out in the Council’s Contract Standing Orders.

15th July 2014

Agenda Item: 4

Asset & Enterprise Committee

Warley Training Centre – update on disposal of a surplus asset

Report of: John R Parling, Strategic Asset Manager

Wards Affected: Warley

This report is: Public

1. Executive Summary

- 1.1 The marketing and sale of this asset has already been approved by the Asset, Infrastructure & Localism Panel on 28th February 2012, Min No. 513.
- 1.2 A conditional sale was agreed and with a major national house builder in late 2012. Subsequently the prospective purchaser withdrew.
- 1.3 In the autumn of 2013 the site was again offered to the market on the basis that the successful bidder would provide a small community centre – offers were received but none were accepted as investigations were carried out into other options
- 1.4 In June 2014 the selling agents were instructed to seek offers from the previous under bidders and any new entrants to the market.

2. Recommendation (s)

- 2.1 That conditional contracts for the sale of the property are exchanged with the party that submits the highest compliant and deliverable bid

3. Introduction and Background

- 3.1 This surplus property has been marketed and bids were sought during autumn 2012 and a well known volume house builder submitted the highest bid conditional subject to receipt of planning permission for 38 residential units in accordance with a planning brief that was commissioned by the

Council. The conditions imposed on the sale were that 38 units were to be constructed, 35% of the units were to be affordable

- 3.2 The Council's Legal Team were instructed to issue the necessary contract and the relevant documentation was despatched to the prospective purchaser legal advisers.
- 3.3 In the summer of 2013 the successful purchaser advised that they were withdrawing from the purchase and the sale was not progressed
- 3.4 In the autumn of 2013 the selling agents were instructed again to seek best bids on the same basis as previously but with an additional requirement that a small Community Centre should be provided by the successful bidder. Offers were received and not progressed whilst investigations were undertaken to determine whether the site could be developed for both social and private sales/lets.
- 3.5 In June 2014 the selling agents were instructed to seek bids from the original parties that submitted a bid and also any additional active new entrants into the local market. Offers have been requested to be submitted on or before the 11th July 2014.
- 3.6 The potential bidders have been advised to submit two bids on the following basis:-
 1. A bid on the previous advised basis including the provision of a small community facility, and
 2. A bid to include the price that the developer would transfer different unit types to the Council

4. Issue, Options and Analysis of Options

- 4.1 The principal issues relate to the requirement to exchange contracts with the highest compliant and deliverable bid that also provides the Council with the opportunity to acquire units at the best price.
- 4.2 All the parties that have been asked to submit bids are familiar with the site.

4.3 The options include:

- Proceed with the bidder that submits the highest bid whether or not it offers best value for the purchase of units by the Council (This will comply with s123 of the Local Government Act 1972. The Council will still be able to pursue the opportunity to purchase units but in competition with the market unless an arrangement can be reached with the developer enabling the Council to purchase the units required.)
- Proceed with the bidder that provides the best overall financial outcome in terms of proceeds and cost of acquiring units.

(Will need careful scrutiny to ensure compliance with s123 of the Local Government Act 1972. Added complication in terms of documentation and increased risks in terms of delivery).

5. Reasons for Recommendation

- 5.1 Recommendation is to proceed with the party that submits the highest and compliant bid for the site.
- 5.2 Approval has already been granted to proceed with this option. The process to document this option should be less fraught with complications and consequently result in the receipt of the proceeds quicker. It will not exclude the Council from engaging in dialogue with developer to secure residential units by negotiation

6. Consultation

- 6.1 None at this stage

7. References to Corporate Plan

- 7.1 The key criteria for the disposal of the freehold of the freehold interest in this site are linked directly to the Corporate Plan 2013 –16, specifically:
- a) A Prosperous Borough
 - b) Set planning policy that supports discerning economic growth and sustainable development

c) Promote a mixed economic base across the Borough, maximising opportunities in the town centres for retail and balanced night time economy

8. Implications

Financial Implications

Name & Title: Jo-Anne Ireland, Acting Chief Executive

Tel & Email: 01277 312712/ jo-anne.ireland@brentwood.gov.uk

- 8.1 There are no direct financial implications at this stage, although the disposal of the site will provide a capital receipt.

Legal Implications

Name & Title: Alison Stuart – Acting Head of Legal

Tel & Email: 01277 312774/ Alison.stuart@brentwood.gov.uk

- 8.2 The Council's disposal powers are contained in section 123 of the Local Government Act 1972, and section 1 of the Localism Act 2011 also provides local authorities with a general power of competence. Under section 123 of the Local Government Act 1972 the Council has the power to dispose of land in any manner that they wish. The main constraint is that the disposal must be for the best consideration reasonably obtainable unless there is ministerial consent or the transfer is to further local well being.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

None

- 9. Background Papers** (include their location and identify whether any are exempt or protected by copyright)

Relevant Past Reports

4 July 2012 - Asset, Infrastructure & Localism Panel

28 February 2012 - Asset, Infrastructure & Localism Panel

Report Author Contact Details:

Name: John R Parling, Strategic Asset Manager
Telephone: 01277 312690
E-mail: john.parling@brentwood.gov.uk

15th July 2014

Agenda Item: 5

Asset & Enterprise Committee

Bell Mead, Ingatestone – update on disposal of a surplus asset

Report of: *John R Parling, Strategic Asset Manager*

Wards Affected: *Ingatestone, Fryerning & Mounthessing*

This report is: *Public*

1. Executive Summary

- 1.1 Terms were agreed with a prospective purchaser and the transaction approved by the Performance and Resources Committee on 12 June 2013.
- 1.2 The basis of the agreed transaction was that after community consultation and a pre planning application meeting conditional contracts would be exchanged. The principal condition being that the sale would be completed when planning permission for a 14 unit residential scheme was granted
- 1.4 The required consultations were undertaken and completed by February 2014 but contracts have not been exchanged as a consequence of various unresolved planning issues
- 1.5 It is proposed to resolve the planning issues, invite all the previous bidders to submit new offers based upon the previous criteria and proceed to exchange conditional contracts with the bidder that submits the highest compliant and deliverable offer.

2. Recommendation(s)

- 2.1 That conditional contracts for the sale of the property are exchanged with the party that submits the highest compliant and deliverable bid

3. Introduction and Background

- 3.1 This surplus property was initially marketed in the autumn of 2012 for sale by external selling agents

- 3.2 Offers were received in October 2012, the highest offer was for a 5 unit residential scheme. It was decided that although the scheme produced the best value the scheme itself was inappropriate for the location.
- 3.3 It was determined that offers should be sought for an alternative scheme which provides for 14 units in a mixed format. The original bidders were requested to submit revised offers in the Spring 2013 and a successful bidder was identified and heads of terms were exchanged in June 2013 which provided for conditional contracts to be exchanged subject to the prospective purchaser undertaking several public consultations and a pre planning application submission meeting.
- 3.4 The consultation meetings took place in late 2013 and early 2014 and a meeting with the Planning Department (Planning) was held in February 2014. The meeting with Planning raised a number of issues including some resistance to the requirement to provide 10 community car parking spaces and also concerns regarding the proposed layout. Progress since the Planning meeting has been slow however the prospective purchaser has issued a revised layout for Planning's consideration and the Planners have indicated that they are now supportive of the proposed community car parking provision.
- 3.5 As a consequence of the significant delay since acceptance of the prospective purchaser's offer the purchaser and the other bidders have been approached with a request that they submit updated offers that reflect the perceived improvement in the residential land market. These offers are expected to be received on the 11th July 2014. A verbal update will be given to Members at the Committee.

4. Issue, Options and Analysis of Options

4.1 The principal issues relates to the requirement to exchange contracts with the highest compliant and deliverable party.

4.2 The options include:

- To proceed with the current purchaser subject to ensuring that the scheme to be submitted for planning consent is appropriate.

This will enable the planning process to be undertaken relatively quickly. However terms were agreed almost 12 months ago and there is evidence to support opinion that values have increased over this time period. Consequently a sale at the price agreed may not satisfy best value consideration.

- To terminate the current arrangement and remarket

This will satisfy the best value requirement. However it may result in delay in submitting a planning application and capital receipt. Any delay will also increase the risks in adverse changes in the market.

- To invite the purchaser and other original bidders to submit further bids to reflect the improvement in the market

This will satisfy the best value requirement but may result in some delay in submitting a planning application however recent consultations particularly with the Planners should mitigate any delays.

6. Reasons for Recommendation

- 6.1 To invite the purchaser and other original bidders to re bid for the site to ensure best value is achieved for the required development scheme.

7. Consultation

- 7.1 During the time period that this particular matter has been under consideration, consultation has been undertaken with the Parish Council, the residents of the Wards affected, and the Planners.

8. References to Corporate Plan

- 8.1 The key criteria for the disposal of the freehold of the freehold interest in this site are linked directly to the Corporate Plan 2013 –16, specifically:
- a) A Prosperous Borough
 - b) Set planning policy that supports discerning economic growth and sustainable development
 - c) Promote a mixed economic base across the Borough, maximising opportunities in the town centres for retail and balanced night time economy

9. Implications

Financial Implications

Name & Title: Jo-Anne Ireland, Acting Chief Executive

Tel & Email: 01277 312712 / jo-anne.ireland@brentwood.gov.uk

There are no direct financial implications at this stage, although the disposal of the site will provide a capital receipt, which has been anticipated in the funding of the Capital Programme

Legal Implications

Name & Title: Alison Stuart – Acting Head of Legal

Tel & Email 01277 312 774/Alison.stuart@brentwood.gov.uk

- 9.2 The Council's disposal powers are contained in section 123 of the Local Government Act 1972, and section 1 of the Localism Act 2011 also provides local authorities with a general power of competence. Under section 123 of the Local Government Act 1972 the Council has the power to dispose of land in any manner that they wish. The main constraint is that the disposal must be for the best consideration reasonably obtainable unless there is ministerial consent or the transfer is to further local well being.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

None

10. Background Papers

Relevant Past Reports

12 June 2013 - Performance & Resources Committee

4 July 2012 - Asset, Infrastructure & Localism Panel

28 February 2012 – Asset, Infrastructure & Localism Panel

Report Author Contact Details:

Name: John R Parling, Strategic Asset Manager

Telephone: 01277 312690

E-mail: john.parling@brentwood.gov.uk

15th July 2014

Agenda Item: 6

Asset and Enterprise Committee

Advertising Hoardings (Bill Boards) update on progress made

Report of: *Adrian Tidbury, Estates and Valuation Surveyor*

Wards Affected: *Brentwood North and Brentwood South*

This report is: *Public*

1. Executive Summary

1.1 This report advises Members of the progress made to date on the recovery of unpaid advertising space and the re-leasing of the Councils existing advertising Hoardings.

1.2 Relevant Past Reports

21st November 2012 Asset, Infrastructure and Localism Panel resolved to:

- The existing hoardings be openly marketed and the best deal negotiated under delegated authority between the Director of Strategy and Corporate Services, the Chairman and Vice Chairman of the Panel.
- Compliance with the Advertising Code when advertising on the hoardings sited on Council land be insisted upon and the Council enabled to object to and require the removal of any advert which breaks the Code or which the Council otherwise objects to.
- Officers be requested to continue with investigations with both Clearview and Outdoor Plus in order to recover monies owed to the Council for the use of advertising boards situated on Council land, seeking legal advice if appropriate.

2. Recommendation(s)

2.1 **For members to note the income received from the conclusion of the recovery of the unpaid advertising space.**

2.2 For members to note the progress to date on the new agreements for advertising hoardings.

3. Introduction and Background

- 3.1 Members will recall a report to the November 2012 Asset, Infrastructure and Localism Panel considered the progress made towards the recovery of un paid advertising space and also to the re-letting of those hoardings at No 2 Ongar Road, Chatham Way and William Hunter Way at the disabled car park.
- 3.2 Members will recall that following correspondence with Clear Channel, the Council was made aware that two of these sites were originally operated under a marketing agreement with a company called Showcase Outdoor Advertising Ltd.
- 3.3 The Council instructed London Lawyers with experience in these matters to act on its behalf and commenced investigations, discussions and negotiations with the company in order to recover the unpaid debt.
- 3.4 Members were originally informed that the last payment from the company was in October 2004 as no further agreement could be found. On investigation it was noted that the Council at the time had been made aware of the Company going into liquidation and that the advertising space had been taken by a company called Outdoor Plus Ltd who had made no payments at that time.
- 3.5 In discussions with Outdoor Plus, it transpired that an interim arrangement had been made in March 2005 for the recovery of the unpaid advertising space and for the use of the space on a month to month basis pending a further agreement being put in place.
- 3.6 Records were located for this month to month arrangement which continued until March 2010 when payments again ceased. This meant that the level of unpaid advertising space was significantly less than that originally anticipated by the November 2012 Asset, Infrastructure and Localism Panel.
- 3.7 A settlement agreement was prepared by DMH Stallards for the sum of £16,000 which was paid by the company on 17th June 2014.
- 3.8 Members will recall that officers were also asked to openly market the hoardings and negotiate the best deal. These negotiations have now

completed and completion of these new agreements is imminent. However, these new agreements relate to the hoardings at No 2 Ongar Road and William Hunter Way at the disabled car park. The hoarding at the Chatham Way car park has not yet been taken up although some interest has been expressed. The annual income from these two sites will be £4,300 p.a.

4. Reasons for Recommendation

- 4.1 This report informs Members of the amount received and the progress with the new arrangements.

5. Consultation

- 5.1 No consultations were required for this report

6. References to Corporate Plan

The key criteria for the disposal of the freehold to the site are linked directly to the Corporate Plan 2013-16, specifically:

- a) A Prosperous Borough.
- b) Set planning policy that supports discerning economic growth and sustainable development.
- c) Promote a mixed economic base across the Borough, maximizing opportunities in the town centres for retail and a balanced night-time economy.

7. Implications

Financial Implications

Name & Title: Chris Leslie, Interim Financial Services Manager
Tel & Email 01277 312542/christopher.leslie@brentwood.gov.uk

- 7.1 The recovery of £16,000 represents a one off source of additional income for the Council, as it was not budgeted for due to its uncertainty.

Legal Implications

Name & Title: Philip Cunliffe- Jones, Planning Lawyer

Tel & Email: Philip.cunliffe-jones@brentwood.gov.uk

7.2 Both Agreements have now been completed, with the rents and consideration being remitted by direct debit. Accordingly, no legal implications remain for consideration or action.

8. Background Papers (include their location and identify whether any are exempt or protected by copyright)

8.1 There are no background papers to this report.

9. Appendices to this report

None

Report Author Contact Details:

Name: Adrian J Tidbury

Telephone: 01277 312678

E-mail: adrian.tidbury@brentwood.gov.uk

15th July 2014

Agenda Item: 7

Asset and Enterprise Committee

Hallsford Bridge – Land transfer to Housing Revenue Account

Report of: *Adrian Tidbury, Estates and Valuation Surveyor*

Wards Affected: *Tipps Cross*

This report is: *Public*

1. Executive Summary

1.1 A previous decision of the 27th September 2012 Asset Infrastructure and Localism Panel was to pursue the following:

- Update the development brief for the site.
- Dispose of the freehold interest in the site realising the best possible deal for the Council.
- The possibility is explored of a planning application for residential properties being prepared.

1.2 The site has been placed on the market with the Council's agents with limited interest and only one party likely to make an offer.

1.3 This report therefore asks Members to consider the transfer of land situated at Hallsford Bridge Industrial Estate to the Housing Revenue Account to be redeveloped into suitable affordable housing.

2. Recommendation(s)

2.1 **That the land is transferred at current open market value to the Housing Revenue Account, with an overage payment provision if planning permission for residential use is subsequently obtained.**

2.2 **That funding for the purchase of the land be taken from the retained 'Right to buy' receipts.**

3. Introduction and Background

- 3.1 Members will recall that this plot of land was considered at the Asset, Infrastructure and Localism Panel on 27th September 2012 where Members were informed of existence of this plot of land. The land is made up of 1.11 acres, rectangular in shape and situated at the northern boundary of the borough adjacent to the Ongar Road (not A128) and the Hallsford Bridge Industrial Estate, in close proximity to the Springfields PNEU School.
- 3.2 The site had originally accommodated 8 semi detached residential properties known as Edwards Terrace, now demolished.
- 3.3 A previous decision to sell the land was made by the Town Centre and District Review Committee in 1987 but was not successful and the land now remains overgrown with trees and bushes.
- 3.4 The decision of the 27th September 2012 Asset, Infrastructure and Localism Panel was to:
- Update the development brief for the site
 - Dispose of the freehold interest in the site realising the best possible deal for the Council.
 - The possibility is explored of a planning application for residential properties being prepared.
- 3.5 The site has been placed on the market with the Council's selling agents with limited interest and only one party has been identified that may make an offer to purchase it.
- 3.6 Through the Councils investigations on the site, it was considered that there may be a possibility of historic land fill being present and a desk top analysis of the site, ecological assessments and an intrusive ground investigation has been commissioned to quantify the existence or extent of any landfill present. The results of these investigations will be received towards the end of July.

4. Issue, Options and Analysis of Options

- 4.1 The results from the marketing of the site has been disappointing. Consideration should now be given to other potential uses including residential.

- 4.2 The Council's agents had advised the Council that offers in the region of £450,000 should be expected. However, should Members resolve to transfer the land to the Housing Revenue Account, then value would be determined initially by a valuation as commercial land. The granting of planning permission for residential use would generate uplift in the value from a commercial use. The level of uplift is unknown at the present time.
- 4.3 Members will be aware that affordable housing is supported by the Parish Council and also the Ward members.
- 4.4 A summary of the Retained 'Right to Buy' Receipts for 2013/14 was included in the Capital Programme 2014/15 – 2016/17 report to the 5th March Ordinary Council giving a total value of £1,475,680 of which £235,000 was required to be spent by 30th June 2016

5. Reasons for Recommendation

- 5.1 In the light of the need for additional affordable housing in the Brentwood area, this site having once incorporated housing may be a suitable site for such a need.

6. Consultation

- 6.1 Members will recall that at the time of the consideration of the disposal of the site, at the September 2012 Asset, Infrastructure and Localism Panel, Members asked for the possibility of a planning application for residential properties be prepared. However, the comments from the Planning Department were not favourable who commented as follows:

“In Planning Policy terms residential provision as part of redevelopment at Hallsford Bridge Industrial Estate would be undesirable. The location is remote and unsustainable in terms of access to public transport and other local services and facilities. This is contrary to the draft Spatial Strategy in the Council's emerging Local Development Plan and government policy set out in the National Planning Policy Framework in terms of development of new isolated homes in the countryside (paragraph 55). There may also be an issue regarding neighbouring industrial uses on the existing Hallsford Bridge Industrial Estate. Residential dwellings would require landscaping and buffering between these uses, potentially reducing the overall size of the plot deemed appropriate to redevelop”.

- 6.2 The site is allocated as Employment General (E1) in the existing development plan. Brentwood Replacement Local Plan (2005). This reflects changes that have occurred in the 35 years since residential properties were demolished. A planning application for residential use would be contrary to adopted Local Plan Policy. The site is also proposed to be allocated for employment uses in the emerging Local Development Plan (Local Plan 2015 – 2030 Preferred Options for Consultation, July 2013). This is to contribute to the unmet employment need over the 15 year Plan period, which is prioritised in the National Planning Policy Framework (NPPF) alongside the requirements to meet housing needs.
- 6.3 The Balance of Planning decision is the provision of much needed social housing, set against its very isolated location and the resultant loss of employment land. Members should consider whether the social benefits outweigh the environmental costs (in terms of lack of connectivity to services) and potential employment costs. This should be explored in detail in any residential proposal that comes before the Planning and Development Committee.
- 6.4 Stondon Massey Parish Council had commented on the fact that the site had contained 6 Council houses and questioned the need for more industry instead of affordable housing. In addition they shared their concerns that if additional industry was to be provided on the site there would be the inevitable increase in heavy goods traffic through the village.
- 6.5 In addition a Ward member has also indicated that that it would be preferable for “a residential development to replace the affordable houses that were demolished on the site.

7. References to Corporate Plan

The key criteria for the disposal of the freehold to the site are linked directly to the Corporate Plan 2013-16, specifically:

- a) A Prosperous Borough.
- b) Set planning policy that supports discerning economic growth and sustainable development.
- c) Promote a mixed economic base across the Borough, maximizing opportunities in the town centers for retail and a balanced night-time economy.

8. Implications

Financial Implications

Name & Title: Jo-Anne Ireland, Acting Chief Executive

Tel & Email: 01277 312712 / jo-anne.ireland@brentwood.gov.uk

- 8.1 It was originally anticipated that this asset would generate a capital receipt in the region of £450,000 and this is the value which has been assumed in the financing of the Capital Programme. Any amount received below this value may impact on the Council's ability to fund its Capital Programme without the need to borrow.
- 8.2 The purchase by the Housing Revenue Account will however, enable retained 'Right to Buy' receipts to be expended within their 3 year time frame.

Legal Implications

Name & Title: Alison Stuart, Acting Head of Legal

Tel & Email: 01277 312 774/alison.stuart@brentwood.gov.uk

9.1 Appropriation

The Land could be appropriated by the HRA as the intention is to develop the land into housing. A Local Authority can appropriate land for one statutory purpose to another pursuant to Section 122 of the Local Government Act 1972 if the Land is deemed to be surplus to its requirements or to facilitate development of its area. The proposed development will improve the social, economic and environmental well-being of the area. Given there is very limited interest in the site any bidding process is likely to result in an undervalue disposal to a third party and there are no legal implications with regards to the transfer of the land to the Housing Revenue Account. In making the decision the Council would need to consider the public need within the locality for the existing use. If the land is no longer required for its current use, then the Council could appropriate.

9.2 Open Space Land

Special rules apply to appropriate open space land. If the land being disposed of is considered to be "open space". The Council will need to comply with section 123 (2A) of the Local Government Act. Section 233 of the Town and Country Planning Act sets out the procedure. An open space is defined as "any land, whether enclosed or not, on which there are no buildings or of which not more than one-twentieth part of covered with buildings, and the whole of the remainder of which is laid out as a garden or

is used for purposes of recreation, or lies waste and unoccupied.” If the land is open space, the Council would have to give notice of their intention to dispose of the land for two consecutive weeks in a newspaper circulating in the local area. The council would also need to consider any objections to the proposed disposal which may be made to them. However, there is no obligation to act on objections.

9.3 **Right of way over the land**

Section 237 of the Town and Country Planning Act 1990 provides power to override easements and other rights affecting land. Paragraph 4(1) of Schedule 9 of the Planning Act 2008 extends the power to override third party rights and restrictive covenants. As long as the land is validly appropriated for planning purposes, the erection, construction or carrying out the development (by the Council or a person deriving title from the Council) will be authorised if it is done in accordance with planning permission, notwithstanding that it interferes with restrictive covenants and easements. Private rights affected will be overridden and converted into a claim for compensation.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

9.4 Officers have instructed agents to investigate the site in terms of an ecology survey and also an intrusive survey dealing with the makeup of the ground which will enable a clear understanding of the developability of the site. The habitat survey has not raised any significant issues enabling the intrusive Geo-Environmental ground investigation to proceed with the results expected towards the end of July.

9. **Background Papers** (include their location and identify whether any are exempt or protected by copyright)

9.1 27 September 2012 – Assets, Infrastructure and Localism Panel

9.2 5th March 2014 Ordinary Council

9.3 Development Brief, Hallsford Bridge Industrial Estate

10. **Appendices to this report**

None

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