

Minutes

Asset and Enterprise Committee Friday, 27th March, 2015

Attendance

Cllr Quirk (Chair)	Cllr Kerlake
Cllr Sapwell (Vice-Chair)	Cllr Morrissey
Cllr Clark	Cllr Sleep
Cllr Mrs Coe	

Substitute Present

Cllr Baker (substituting for Cllr Aspinell)
Cllr Mrs Hones (substituting for Cllr Cloke)
Cllr Parker (substituting for Cllr Hirst)

Also Present

Cllr Mrs Hubbard
Cllr Le-Surf

Officers Present

Claire Hayden	- Governance and Member Support Officer
John Parling	- Strategic Asset Manager
Chris Potter	- Monitoring Officer & Head of Support Services
Adrian Tidbury	- Estates and Valuation Surveyor
Philip Cunliffe-Jones	- Planning Solicitor
Ramesh Prashar	- Deputy Section 151 Officer

541. Apologies for Absence

Apologies were received by Cllr Cloke with Cllr Mrs Hones present as a substitute; Cllr Aspinell with Cllr Baker present as a substitute and Cllr Hirst with Cllr Parker present as a substitute.

542. Minutes of the previous meeting

The minutes of the Asset and Enterprise Committee meeting held on 18th February 2015 were approved and signed by the Chair as a correct record.

543. Old House

The report informed members of the progress made towards the refurbishment and transformation of the Old House into flats.

A Member of the Committee requested that a timeline of work be photographed to be available for schools.

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to receive the recommendation set out in the report.

RESOLVED UNANIMOUSLY:

- 1. To note the progress made to date.**

REASON FOR DECISION

To advise Members on the progress made to date.

544. 14 Ongar Road, Brentwood - Lease Renewal

This property is let to Brentwood & District Mental Health Association (MIND). The tenant was originally granted a 5 year lease from 16th August 2005 at £26,000pa. The tenant held over after this lease expired and the occupation was only regularised by way of a short term agreement in November 2014 until terms could be agreed for a new lease. Provisional agreement had been reached regarding a new lease and approval is sought from the Committee to conclude and record the terms.

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to receive the recommendation set out in the report.

RESOLVED UNANIMOUSLY that:

- 1. Members were asked to approve the granting of a new lease to Brentwood & District Mental Health Association on the basis or terms as set out in Appendix A (exempt within the report).**

REASON FOR DECISION

To ensure that a revenue stream was maintained and to regularise the occupation of the tenant.

545. 2,4,6 & 8 Harewood Road, Pilgrims Hatch

The asset comprised a small parade of neighbourhood retail units which were let to the Co-Operative Society with The Bhaji (Indian Take-Away) and one vacant unit.

A location plan is contained within Appendix A of the report.

Details of the accommodation were set out in Appendix B (exempt within the report).

The asset was currently within the Housing Revenue Account, and all income received was retained by HRA for the support of Social Housing.

The report sought the approval of the Committee to appropriate the asset from Housing HRA for General Fund purposes to revenue stream to support the provision of services to residents. The accounts would be adjusted to show a capital receipt to HRA and debit the General Fund. The HRA receipt would be used to assist with the provision of affordable residential units on already identified locations.

Appropriation is the statutory power to transfer from one land holding power to another. There was a general power in Section 122 Local Government Act 1972 which applied in this case.

A motion was **MOVED** by Cllr Quirk and **SECONDED** by Cllr Sapwell to receive the recommendations set out in the report.

A vote was taken by show of hands and on the casting vote of the Chair it was **RESOLVED**:

- 1. That pursuant to Section 122 Local Government Act 1972 the land at 2,4 and 6/8 Harewood Road shown on the plan in Appendix A of the report be appropriated from the Housing Act 1985 Part II to the Local Government Act 1972 Part VII;**
- 2. That an adjustment of the accounts be made at the value as determined by an independent Chartered Surveyor to be appointed jointly by the Head of Housing and the Strategic Asset Manager.**

REASON FOR DECISION

To provide the General Fund with a revenue generating asset in accordance with the key objectives of the adopted Asset Management Plan, and also to provide the Housing Revenue Account with a capital receipt to assist in the delivery of new affordable residential units on Council owned sites.

546. Warley Training Centre - Sale and Acquisition

The Asset & Enterprise Committee on 15 July 2014 resolved “That conditional contracts for the sale of the property are exchanged with the highest and most compliant bidder (Bid B), with the Council then negotiating to retain 5 units for revenue purposes.”

A further report was presented to the Asset & Enterprise Committee on 17 September 2014 confirming that the Council’s solicitors had been instructed regarding the sale and negotiations had been undertaken to retain 5 units at a discount to current values.

A report was presented to Ordinary Council on 22 October 2014 relating to the acquisition of the 5 units.

Council resolved

“1. That delegated authority be given to the Acting Chief Executive to approve and enter into conditional contract on behalf of the Council relating to the acquisition of the 5 x 2 bedroom apartment units as set out in exempt Appendix A (Confidential) but such delegated authority shall be conditional upon best consideration relating to such acquisition and the connected disposal being reaffirmed to the satisfaction of the Section 151 Officer at the date of exchange of contracts by an independent RICS (Royal Institution of Chartered Surveyors) qualified surveyor.

2. Members approve a virement from the Parking and Improvement Scheme to address the reduction in the original capital receipt anticipated for this sale”

Following agreement of the terms and approval of the Asset & Enterprise Committee and Ordinary Council to the proposed transactions, the original compliant bidder has sought to reduce their offer for the site. As a consequence the under bidders and the original bidder were asked to resubmit. The details of the original bids, the compliant bidders reduced the bid and the results from the most recent re bid exercise are set out in Appendix A (exempt within the report).

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to receive the recommendations set out in the report.

A vote was taken by show of hands and on the casting vote of the Chair it was **RESOLVED:**

- 1. That delegated authority be given to the Chief Executive/Interim Chief Executive to approve and enter into conditional contracts with the party that has submitted the highest compliant and deliverable bid.**
- 2. That delegated authority was given to the Chief Executive/Interim Chief Executive to enter into an option agreement to acquire up to 5 residential apartments subject any exercise of the option being agreed by Council.**

REASON FOR DECISION

To provide the Council with a capital receipt and potential future revenue stream, and with the opportunity to benefit from any capital appreciation of the assets.

547. Action Plan Update

The Asset Management Strategy 2014/15 was approved by the Asset & Enterprise Committee on the 15 July 2014 - that report set out the aims and objectives for the forthcoming year for the Councils property asset portfolio. Appendix A of the report set out the progress achieved on the more significant work flows.

The Strategy highlighted the entrepreneurial approach to the Councils management of its assets and this objective was being adopted as opportunities arose.

A member expressed concerns on the arrangement of residential parking spaces proposed at Bell Mead. The Officer confirmed that they will be 10 parking spaces as shown on the plans that have been submitted to the Planning Department.

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to receive the recommendation set out in the report.

RESOLVED UNANIMOUSLY:

- 1. That Members note the report**

REASON FOR DECISION

For Members to note the report.

548. Asset Policies (Acquisition/Disposal /Less than Best Consideration)

The Asset Management Strategy 2014/15 was approved by the Asset & Enterprise Committee on the 15 July 2014. Following on from the adoption of the strategy, it was necessary that suitable and appropriate policies were adopted to ensure compliance with statutory requirements to achieve best value and also to ensure transparency and fairness in dealing with community groups.

The Policies outlined the process and procedures that should be followed when acquiring and disposing of assets including disposals to community groups. A separate report had been prepared relating to the acquisition of revenue entrepreneurial assets.

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to receive the recommendation set out in the report.

RESOLVED UNANIMOUSLY:

- 1. That the policies, relating to the Acquisition, General Disposals and Disposals at less than Best Consideration attached were approved.**

REASON FOR DECISION

Members need to ensure that best practice and transparency were maintained.

549. Property Acquisitions Fund Policy & Procedure

The Asset Management Strategy 2014/15 was approved by the Asset & Enterprise Committee on the 15 July 2014. One of the key actions in the Strategy was the “Acquisition of Revenue Generating Opportunities”.

Policies had been prepared to provide guidance for the Acquisition, General Disposal and Disposals at less than Best Value and these were attached to a separate report to this Committee. The Acquisition Policy referred to was appropriate for normal situations however the Policy lacked the flexibility particularly in terms of time scales and was drafted on the basis of acquisitions for operational reasons and that all acquisitions would be by negotiation.

It was proposed that in certain circumstances, the Acquisition Policy was adjusted to enable the Council to make opportunistic purchases and to compete effectively with other parties.

After a full decision a motion was **MOVED** by Cllr Quirk and **SECONDED** by Cllr Sapwell to receive the recommendations set out in the report.

Following a discussion a recorded vote was requested in accordance with Rule 9.5 of the Council’s Procedure Rules. Members voted as followed:

FOR: Cllrs Baker Clark, Morrissey, Quirk and Sapwell (5)

AGAINST: Cllrs Mrs Hones, Mrs Coe, Parker, Kerlake and Sleep (5)

On the casting vote of the Chair the motion was **RESOLVED**:

- 1. That the Committee approved the Acquisition Policy which allowed flexible adjustments in specified circumstances to enable the Council to acquire revenue generating assets.**
- 2. That the Finance and Resources Committee be requested to consider a Capital Programme allocation up to £10m within the Medium Term Financial Plan for the acquisition of revenue generating assets to add and enhance the council’s current investment and operational property portfolios.**

REASON FOR DECISION

Members need to ensure that best practice and transparency are maintained.

550. Hutton Community Centre

This item was withdrawn from the agenda.

551. Mascalls Park - Cycle Track

The report considered the widening, re- construction and adoption of the existing footpath as a shared footpath and cycletrack leading from the Mascalls Park Development to Greensleeves Drive.

A motion was **MOVED** by Cllr Sapwell and **SECONDED** by Cllr Parker to receive the recommendations set out within the report.

(Members were advised that the Chair disclosed non pecuniary interest the Councils Code of Conduct by virtue of living site. Cllr Sapwell become chair for duration of this item).

A vote was taken by show of hands and it was **RESOLVED**:

- 1. That the Council enter into negotiations with the developer, Bellway Homes concerning the provision of appropriate consideration for the loss of the land to the highway.**

- 2. That subject to these negotiations, the Council agreed the track and path as indicated in the report be reconstructed and completed under the terms of the s106 agreement for the development of Mascalls Park and for that cyclepath to be adopted by the Highway Authority - Essex County Council for its future maintenance and protection.**

REASON FOR DECISION

To ensure that the Councils Assets are properly managed.

552. Shenfield War Memorial - Post WW2 Memorial

The report considered the request of the Royal British Legion for Brentwood Borough Council to adopt both the new 1946 War Memorial and the recently installed 1914-18 Commemoration benches.

A motion was **MOVED** by Cllr Quirk and **SECONDED** by Cllr Sapwell to receive the recommendation set out in the report.

RESOLVED UNANIMOUSLY:

- 1. That the Council would instruct its lawyers to draft the necessary deeds of adoption formally bringing the new 1946 War Memorial and the recently installed 1914 -18 Commemoration benches into the Councils ownership and that the Council continues to maintain those memorials in line with the existing maintenance of the existing memorials at the site.**

REASON FOR DECISION

To ensure that the Memorial is properly maintained.

553. Town Hall - Community Use Charge

The Town Hall meeting rooms were used for a variety of purposes for Council business and also used by external organisations from the commercial, voluntary and community sectors. Currently the Council only charges commercial organisations for the use of the rooms and any support provided e.g. refreshments.

Over the next Quarter room bookings for external organisations (non Commercial) exceeded 100.

It was proposed that the Council should introduce a charging regime for non commercial organisations to bring it in line with other providers and also to assist in defraying the cost of providing the facilities.

A motion was MOVED by Cllr Baker and SECONDED by Cllr Morrissey that the charging regime is not introduced.

During the debate it was agreed by members that more work regarding the costing is undertaken. Cllr Baker and Cllr Morrissey withdrew their motion.

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to **DEFER** this item to a future meeting.

RESOLVED UNANIMOUSLY.

REASON FOR DECISION

That more work regarding the costing is undertaken.

554. Depot Review

The Depot adjoined a number of other Council owned land holdings which were leased out including, a car park, workshop, Hall and Scout Hut.

Details of the Depot and other holdings were set out in Appendix A of the report.

The report examined the scope for the redevelopment of the current Depot and adjoining land to provide a capital receipt and or improved revenue stream to the Council.

A Ward Member requested that the proposal doesn't not included the Brentwood Imperial Band Room and the Scout Hut.

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to receive the recommendation set out in the report.

RESOLVED UNANIMOUSLY:

- 1. That further investigations were carried out into the viability of the redevelopment of the Depot and adjoining land and the relocation of existing activities and thereafter recommendations are presented to the Asset & Enterprise Committee for its consideration.**
- 2. That a budget of up to £25,000 was allocated to meet the costs of the further investigations and any consultants fees to progress the project.**

REASON FOR DECISION

To pursue further investigations to determine viability of promoting the development of the asset.

To demonstrate that the Council was innovative and entrepreneurial in its management of its assets.

555. Brent Hall

The report considered the revised requirements from the owner of Brent Hall for an access to the property from Warley gap.

A motion was **MOVED** by the Cllr Quirk and **SECONDED** by Cllr Sapwell to receive the recommendation set out in the report, subject to an amendment to 2.2. by the Chair.

- 2.2 That delegated authority be granted to the Strategic Asset Manager 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 Brent Hall and the existing curtilage of Brent Hall only and that the valuation in question be derived at the applicant's cost by obtaining valuations from an RICS surveyor.**

A vote was taken by show of hands and it was **RESOLVED:**

- 1. That the consultation process through the Commons Act 2006 be undertaken in respect of the proposal submitted to upgrade the existing redundant access to Brent Hall subject to the full cost being borne by the applicant and subject to any planning permission being first obtained.**
- 2. That delegated authority be granted to the Strategic Asset Manager 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 Brent Hall and the existing curtilage of Brent Hall only and that the valuation in question be derived at the applicant's cost by obtaining valuations from an RICS surveyor.**

(Cllr Parker declared a non pecuniary interest under the Councils Code of Conduct by virtue of knowing the owner of Brent Hall and left the chamber and did not take part in the vote).

REASON FOR DECISION

To ensure that the Council complies with its obligations to maintain Common Land.

556. Courage Playing Fields - Shenfield Cricket Club

The report considered the Courage Playing Fields and the deed of covenant as it was related to the Shenfield Cricket Club (SCC). The Management Agreement recommended, and summarised at paragraphs 4.3 – 4.5 was not a disposal of land but contained terms considered reasonable for the next 60 years.

Ward Members had spoken to residents about the duty of care to the Borough with regards to the issues raised at the Cricket Club.

After a full decision, a motion was **MOVED** by Cllr Quirk and **SECONDED** by Cllr Sapwell to receive the recommendation set out in the report.

RESOLVED UNANIMOUSLY:

- 1. That delegated authority be granted to the Strategic Asset Manager to negotiate and enter into a management agreement with the Shenfield Cricket Club for the use of the Cricket field as summarised in this report.**
- 2. That delegated authority be granted to the Strategic Asset Manager to negotiate and enter into a lease with the Shenfield Cricket Club in respect of the land used for the provision of the pavilion, Score Box and the practise nets as approved under 14/00836/FUL and as summarised in paragraph 4.7 of this report.**
- 3. That the Business and Town Centres Committee be recommended to add the Courage Playing Fields Car Park to the Council's Off Street Parking Places Order and publish a statutory consultation to include provisions which will achieve the recommendations set out in paragraphs 4.10 to 4.12 of this report.**
- 4. That delegated authority be granted to the Strategic Asset Manager to take legal action to protect the Council's interests in the Courage Playing Fields if the Club do not agree to these terms.**

REASON FOR DECISION

To ensure that the Council's Assets are managed in accordance with good estate management practices.

557. Urgent Business

Hutton Football Club

The Chair advised the committee that a request for urgent business had been received.

The Chair allowed it as urgent business as the matter had only just come to his attention since the Agenda was published which raised serious issues of the outstanding rent and lease for the football club.

Hutton Football Club had put forward an offer of £900.00 per annum going forward until the lease expires in 2019.

- 1. That the offer from Hutton Football Club be submitted to the next Finance and Resource Committee with a recommendation that it should be accepted.**

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to approve the recommendation.

Voting took place by a show of hands and was **RESOLVED UNANIMOUSLY.**

REASON FOR DECISION

To demonstrate support to a Community Group

The meeting concluded at 21.40.