

## ***Report to the Cabinet***

**Report reference:** C-050-2013/14  
**Date of meeting:** 2 December 2013



**Portfolio:** Asset Management & Economic Development

**Subject:** An Assessment of Potential Strategy Options relating to Council Property Assets and Associated Costs.

**Responsible Officer:** Chris Pasterfield (01992 564124).

**Democratic Services Officer:** Gary Woodhall (01992 564470).

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### **Decisions Required:**

(1) That a District Development Fund growth bid in the sum of £160,000 for 2014/15 be approved to cover specialist consultant feasibility costs for projects as detailed in the report.

### **Executive Summary:**

This report asks for funds to employ consultants to carryout design, valuation and costing of potential development for a number of properties in order for strategic decisions to be made regarding future use, sale and development including making planning applications as necessary. By obtaining this data the Council will be able to better assess risks associated with the proposals, and these are not skills that are currently available within the Council.

### **Reasons for Proposed Decision:**

To achieve best value and most efficient use of Council property assets.

### **Other Options for Action:**

To not progress sites. This would mean that the Council does not obtain information on cost, value, risk from professional consultants on which to make decisions regarding the properties which may indicate that they should be sold, held, developed by the Council, developed in partnership. A potential development site could also be substantially de-risked by obtaining a planning approval which might include other approvals such as approval from the highway authority which might otherwise be a barrier to development. It would also mean that the Council is unable to test the current market for capital or rental value or other remuneration such as affordable housing.

### **Report:**

1. The Cabinet approved a budget of £195,000 at the meeting on 1 February 2010 to evaluate sites development potential and substantial progress has been made on a number of sites.
2. At the Cabinet meeting on 19 July 2010 expenditure was approved to fund half of the cost of making a planning application for a retail park on the Langston Road Depot and

adjoining land owned by Polofind Ltd.

3. At the Cabinet meeting on 30 January 2012 a budget of £205,000 to further progress sites development potential. Whilst not all of this money has yet been expended it is committed in current consultant contracts for projects such as Langston Road retail park, St Johns development area and the Sir Winston Churchill public house development in Debden.

4. A brief update of progress on sites is as follows:

(a) Land adjacent to Oakwood Hill – a planning application for this site has been submitted and withdrawn pending further information being required. It is anticipated that the application will be re-submitted by December 2013. Further site investigation has included liaising with London Transport, soil and structural reports, and highway reports.

(b) Langston Road Depot – planning application for retail park submitted December 2010. Outline planning approval has been granted and a Section 106 Agreement agreed. Negotiations regarding the Council's clawback provision over the Polofind Ltd half of the site have been agreed subject to contract and Council approval and this will need to be documented. A full planning application is being progressed under a separate budget but independent development/valuation advice is still required.

(c) North Weald Airfield – Following the Deloitte Report the Council are considering uses within and outside the airport perimeter as part of the new Local Plan process and new consultants are being appointed to look at a North Weald Master Plan. The Council are also keen to generate further income without compromising future proposals and parts of the site that can be developed are being looked at. The Council have a duty to obtain best value for their own land holdings whilst maintaining the independence of the local Plan. It is for these reasons that it is considered best for the Council to have independent advice regarding their own substantial land holdings.

(d) Town Mead Depot – A topographical survey has been completed and a report on flood issues prepared by Peter Brett Associates. It is anticipated that there will be further discussions with the Environment Agency. A layout plan has been prepared by the Council's in-house architect and discussions are taking place with Waltham Abbey Town Council regarding their adjoining land holdings.

(f) The Broadway/Torrington Drive – that includes adjoining land is being considered for a number of potential development uses.

(g) Sir Winston Churchill Public House – Heads of Terms have been agreed with C & K Investments Ltd for the redevelopment of the site and adjoin parking areas. C & K Investments Ltd have now submitted a planning application for a public house, two large retail units and 64 flats which is currently being registered. Independent development advice is still required.

(h) St John's Road – following a marketing exercise by ECC/EFDC/ETC over twenty expressions of interest have been received for development of the combined sites. These are currently being analysed and an initial briefing of members was given on 10 October with an outline of each bid.

(i) Pyrles Lane – planning approval for residential development has been refused. The Council are currently acquiring a property adjacent to the road entrance

to the site. Once this property has been acquired a revised planning application will be considered.

(j) Economic Development – this is an area that works closely with the Council's estates and property assets and often overlaps when the development of the Council's property portfolio brings a number of economic development benefits. To focus economic development more accurately it needs to be based upon a reliable data base of information so that decisions and judgements can be made more accurately. A great deal of information and research is being carried for the Local Plan preparation but it is felt more specific information relating to economic development is required and that consultants should be appointed to liaise with research for the Local Plan and carry out this work. This would ensure that a viable Economic Development Strategy could be formulated.

5. The Budget Estimate is as follows:

Land adjacent to Oakwood Hill	£ 20,000
North Weald Airfield	£ 50,000
Town Mead Depot	£ 10,000
The Broadway/Torrington Drive	£ 20,000
Sir Winston Churchill public house	£ 10,000
St John's Road development area	£ 15,000
Pyrles Lane Nursery	£ 5,000
Economic Development	<u>£ 30,000</u>
	£160,000 Total

**Resource Implications:**

Valuation and Estate Management section will be able to deal with reports from consultants.

Financial gain to the Council by way of capital receipts or revenue income by development of key sites.

**Legal and Governance Implications:**

Section 123 Local Government Act 1972 – best consideration for the land and property assets.

**Safer, Cleaner and Greener Implications:**

Each site will have implications that need to be taken into account which will become apparent as the scheme progresses.

**Consultation Undertaken:**

Asset Management Co-ordination Group.

**Background Papers:**

None.

**Impact Assessments:**

Risk Management

None undertaken at this time.

Equality and Diversity

No implications at this time.