

Committee Agenda



**Epping Forest
District Council**

Asset Management and Economic Development Cabinet Committee Thursday, 10th April, 2014

You are invited to attend the next meeting of **Asset Management and Economic Development Cabinet Committee**, which will be held at:

**Council Chamber, Civic Offices, High Street, Epping
on Thursday, 10th April, 2014
at 7.00 pm .**

**Glen Chipp
Chief Executive**

**Democratic Services
Officer:**

J Leither, Democratic Services Tel 01992 564756
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Members:

Councillors Mrs A Grigg (Chairman), W Breare-Hall, Ms S Stavrou, Mrs E Webster and C Whitbread

PLEASE NOTE THE START TIME OF THIS MEETING

1. WEBCASTING INTRODUCTION

- (a) This meeting is to be webcast;
- (b) Members are reminded of the need to activate their microphones before speaking; and
- (c) the Chairman will read the following announcement:

I would like to remind everyone present that this meeting will be broadcast live to the Internet and will be capable of subsequent repeated viewing, with copies of the recording being made available for those that request it.

By being present at this meeting, it is likely that the recording cameras will capture your image and this will result in your image becoming part of the broadcast.

You should be aware that this may infringe your human and data protection rights. If you have any concerns then please speak to the Webcasting Officer.

Please could I also remind Members to activate their microphones before speaking.

2. APOLOGIES FOR ABSENCE**3. DECLARATIONS OF INTEREST**

To declare interests in any items on the agenda.

4. MINUTES (Pages 5 - 10)

To confirm the minutes of the last meeting of the Cabinet Committee held on 13 February 2014.

5. ASSET MANAGEMENT CO-ORDINATION GROUP REPORT (Pages 11 - 14)

To consider the attached report (AMED-014-2013/14).

6. NORTH WEALD AIRFIELD UPDATE (Pages 15 - 18)

To consider the attached report (AMED-015-2013/14).

7. ANY OTHER BUSINESS

Section 100B(4)(b) of the Local Government Act 1972, together with paragraphs 6 and 25 of the Council Procedure Rules contained in the Constitution require that the permission of the Chairman be obtained, after prior notice to the Chief Executive, before urgent business not specified in the agenda (including a supplementary agenda of which the statutory period of notice has been given) may be transacted.

In accordance with Operational Standing Order 6 (non-executive bodies), any item raised by a non-member shall require the support of a member of the Committee concerned and the Chairman of that Committee. Two weeks' notice of non-urgent items is required.

8. EXCLUSION OF PUBLIC AND PRESS

To consider whether, under Section 100(A)(4) of the Local Government Act 1972, the public and press should be excluded from the meeting for the items of business set out below on grounds that they will involve the likely disclosure of exempt information as defined in the paragraph(s) of Part 1 of Schedule 12A of the Act indicated:

Agenda Item No	Subject	Exempt Information Paragraph Number
9	North Weald Airfield - Main Runway Interim Report	3 and 5

To resolve that the press and public be excluded from the meeting during the consideration of the following items which are confidential under Section 100(A)(2) of the Local Government Act 1972:

Agenda Item No	Subject
Nil	Nil

Paragraph 9 of the Council Procedure Rules contained in the Constitution require:

- (1) All business of the Council requiring to be transacted in the presence of the press and public to be completed by 10.00 p.m. at the latest.
- (2) At the time appointed under (1) above, the Chairman shall permit the completion of debate on any item still under consideration, and at his or her discretion, any other remaining business whereupon the Council shall proceed to exclude the public and press.
- (3) Any public business remaining to be dealt with shall be deferred until after the completion of the private part of the meeting, including items submitted for report rather than decision.

Background Papers: Paragraph 8 of the Access to Information Procedure Rules of the Constitution define background papers as being documents relating to the subject matter of the report which in the Proper Officer's opinion:

- (a) disclose any facts or matters on which the report or an important part of the report is based; and
- (b) have been relied on to a material extent in preparing the report does not include published works or those which disclose exempt or confidential information (as defined in Rule 10) and in respect of executive reports, the advice of any political advisor.

Inspection of background papers may be arranged by contacting the officer responsible for the item.

9. NORTH WEALD AIRFIELD - MAIN RUNWAY INTERIM REPORT (Pages 19 - 22)

To consider the attached restricted report (AMED-016-2013/14).

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EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: Asset Management and Economic Development Cabinet Committee **Date:** Thursday, 13 February 2014

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 6.30 - 7.35 pm

Members Present: Councillors Mrs A Grigg (Chairman), W Breare-Hall, Ms S Stavrou, Mrs E Webster and C Whitbread

Other Councillors: Councillors K Angold-Stephens, L Girling, Ms J Hart and D Stallan

Apologies: Councillor R Bassett

Officers Present: D Macnab (Deputy Chief Executive), A Hall (Director of Housing), C Pasterfield (Chief Estates & Valuation Officer), J Leither (Democratic Services Assistant), T Carne (Public Relations and Marketing Officer) and P Tredgett (Information Assistant)

17. WEBCASTING INTRODUCTION

The Chairman reminded everyone present that the meeting would be broadcast live to the internet and that the Council had adopted a protocol for the webcasting of its meetings.

18. DECLARATIONS OF INTEREST

(a) Pursuant to the Council's Code of Member Conduct, Councillor W Breare-Hall declared a personal interest in agenda item 6, Asset Management Co-Ordination Group Report item 4, St John's Road by virtue of being a member of Epping Town Council and a resident of Epping. The Councillor had determined that his interest was non-pecuniary and would remain in the meeting for the consideration of the issue.

(b) Pursuant to the Council's Code of Member Conduct, Councillor C Whitbread declared a personal interest in agenda item 6, Asset Management Co-Ordination Group Report item 4, St John's Road by virtue of being a resident of Epping. The Councillor had determined that his interest was non-pecuniary and would remain in the meeting for the consideration of the issue.

19. MINUTES

RESOLVED:

That the minutes of the meeting held on 5 December 2013 be taken as read and signed by the Chairman as a correct record.

20. THE BROADWAY, LOUGHTON PROGRESS REPORT

The Director of Housing was invited to present a report to the Cabinet Committee regarding the progress of developments at The Broadway, Loughton. He explained that The Broadway developments were split into two categories, sites under and not under Council control.

Sites not under Council control

(a) Site 1 – Sir Winston Churchill Public House

At the Cabinet meeting on 9 September 2013 the proposed Heads of Terms were agreed for a Development Agreement between the District Council as the freeholder and the developer for the site.

On 11 December 2013 at the District Development Control Committee, planning permission was granted subject to S106 agreements being completed by the 31 March 2014. The legal documents, drafted by EFDC Legal Department have now been sent to the Solicitors, Sharpe Pritchard who were appointed as the Council's external solicitors and the Council's Legal Department were awaiting their comments.

(b) Site 2 – Sainsbury Supermarket, Shopping Precinct and BP Petrol Station

The Sainsbury's store was now closed as works were currently underway to make improvements to the store, which would include the demolition of the parade of vacant shops to the front of the store, to make way for additional parking. The store is due to re-open Spring 2014.

BP, who own the petrol station, indicated that they would like to renew their lease and the terms of a new lease were currently being negotiated by the Council's agents.

The Director of Housing advised that Alison Mitchell, Assistant Director, Legal put in a lot of work in a short period of time, into this legal agreement and it was completed before Christmas. The Committee expressed its appreciation to Ms Mitchell for her work.

(c) Sites 3 and 8 – Debden Station and Station Car Park

The site was owned by Transport for London (TFL). The adopted Design Brief for The Broadway included proposals for re-developing the area around Debden Station. TFL's initial proposals for the re-development of Debden Station and the Car Park had been presented to the Council in March 2012. Since that meeting, further contact with TFL had been hard to establish; it was understood that their Project Manager had left the organisation. The Director of Planning and Economic Development had recently written to TFL to try and establish what the current position was.

Sites under Council control

(a) Site 4 – Vere Road (North)

This site comprises 36 council garages that were difficult-to-let with high void rates and no waiting list. The site would seek to fulfil two functions:

- (i) that it would provide additional parking as part of the Sir Winston Churchill development; and
- (ii) that it would provide some affordable housing and discussions were on-going with Moat Housing about what could be provided and what payment could be made to the Council for the site. These discussions were at an early stage; the Director of Housing advised that he had a meeting scheduled with Moat Housing on the 14 February 2014 to discuss the options further.

(b) Site 4 – Vere Road (South)

This site comprised of surface car parking and 42 garages in two separate blocks. In September 2012 a Design Brief was proposed for a mews style development.

The Design Brief had proposed a mews style development. However, since the Design Brief the proposal for mews houses with underground parking, that would not be associated with the housing above, was no longer thought to be appropriate. The Committee had previously considered this issue and had agreed in principle to considering a scheme whereby one area of land for parking would provide parking and a separate area would provide housing; the size of the two areas had yet to be determined.

(c) Site 6 and 7 – Burton Road (South) and Burton Road (East)

Sites 6 and 7 were comprised of a former Council depot plus two large garage blocks and a large grassed area. As set out in the Design Brief, it was proposed that these sites become mainly residential accommodation. The Director of Housing had been having lengthy discussions with a representative for the Bishop of Barking exploring the possibility of some land in Burton Road being conveyed to the Church, to provide a small Church with a community facility in return for Church land elsewhere in Loughton which the Council could develop as affordable housing.

The Director of Housing advised, however, that following further discussions between the Anglican Parish of Loughton and the Methodist Church in Loughton (which had a Local Ecumenical Partnership), the Partnership had been unable to agree amongst its membership to such a proposal. Therefore, this option was no longer being pursued by the Council or the Church.

At the Council Housebuilding Cabinet Committee (CHBCC) on 4 February 2014 it had originally been proposed that 25 affordable rented homes could be provided on part of the site, which could become Year 2 of the Council Housebuilding Programme. It was established at the meeting that 6 more homes could be provided on the land that would have been transferred to the Church and it had also identified that there was another area of land in the Council's ownership where 2 more homes could be provided.

The view of the CHBCC was that this was an appropriate site for affordable housing. The Cabinet Committee agreed that Officers should go forward and submit a planning application for residential accommodation on the land, although the combined land should now be looked at further to seek to increase the number of homes on the land. The Director reported that he was currently in discussions with the Council's Development Agent, East Thames, to see how the number of properties could be increased. A further report would be submitted to the CHBCC in the near future.

(d) Site 5 – Burton Road (North), Rear of shops

At its meeting in September 2012, the North Weald Airfield and Asset Management Cabinet Committee agreed that the land should be retained in the Council's ownership pending an upturn in the commercial market for consideration of its future use at a later date.

RESOLVED:

That this report was for noting.

21. ASSET MANAGEMENT CO-ORDINATION GROUP REPORT**(1) Langston Road Retail Park**

The number of legal and project team meetings were becoming more frequent. The Council and the joint developer Polofind Limited had got to the point where a legal vehicle was required.

The Director of Finance and ICT would test to see if the legal vehicle was appropriate for the Council as the Council had different tax implications than private companies.

A report would be brought to this meeting in the future.

(2) Oakwood Hill Depot

The planning application had been withdrawn and further consultant reports were being prepared. The planning application would be re-submitted by the end of February 2014.

(3) Pyrles Lane Nursery

The Council had now completed the purchase of 79 Pyrles Lane, the property adjacent to the entrance of the site. A further planning application would be considered in the future for the development of this site.

(4) St John's Road

The agents for Essex County Council, Epping Forest District Council and Epping Town Council had got together to examine the different proposals and they have recommended that there be a period of detailed negotiations with a mixed use developer. This would be proposed to members of each council to see if they wish to take that proposal forward.

(5) Waste Contractor's Depot

The Waste Contract negotiations were continuing and the final result would not be known until July 2014.

(6) North Weald Airfield

This had been examined as part of the Local Plan and was included within the Master Plan for North Weald. A meeting had been held with the Savills, the Consultants acting for the Council. Savills have produced a report with regard to the Council's land holdings which would be presented to Members in the future.

(7) Torrington Drive

The Director of Housing had presented a detailed report to the Cabinet Committee regarding the current situation.

(8) Winston Churchill Public House

Meetings were taking place with the developers solicitors with regards to drafting a legal development agreement.

(9) Broadway Car Parks/Burton Road Depot

The Director of Housing had presented a detailed report to the Cabinet Committee regarding the current situation.

(10) Lindsey House Epping

The lease had been surrendered back to the Council and a sum of £7,000 had been received in lieu of dilapidations.

(11) Town Mead Depot

At a recent meeting Waltham Abbey Town Council said that they would like to explore further the possibility of part of the depot to be included as a residential development. The proposal was not without difficulties as there were flooding issues. We are meeting with flood specialist consultants on Monday 17 February 2014 to discuss the likelihood of flooding to that area.

(12) Church Hill Former Car Park

Following a second round of final bids an offer had now been accepted. This was with Legal Services for completion.

(13) Leader Lodge

There was nothing further to report.

RESOLVED:

That the monitoring report on the development of the Council's property assets be noted.

22. ANY OTHER BUSINESS

The Cabinet Committee noted that there was no other urgent business for consideration.

CHAIRMAN

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Report to the Asset Management and Economic Development Cabinet Committee



**Epping Forest
District Council**

Report reference: AMED-014-2013/14

Date of meeting: 10 April 2014

Portfolio: Asset Management & Economic Development

Subject: Asset Management Co-ordination Group Report

Responsible Officer: Chris Pasterfield (01992 564124)

Democratic Services Officer: Jackie Leither (01992 564756)

Recommendations:

1. To note the quarterly monitoring report on the development of the Council's property assets.

Executive Summary:

This report updates the Cabinet Committee on a number of projects discussed at previous meetings.

Reasons for Proposed Decision:

To comply with the Cabinet Committee's previous request to monitor the development of the Council's property assets periodically.

Other Options:

None, as this monitoring report is for information not action.

Report:

1. **Langston Road Retail Park** – Outline planning approval has now been granted and the Section 106 Agreement has been signed by EFDC, Essex CC and Polofind Ltd. Negotiations are on going with Polofind Ltd regarding a development agreement to jointly develop the site. Following a number of meetings with legal advisers, BLP, and the Council's accountants, PWC, a corporate structure is now being proposed for Council members to consider. The meetings have been attended by the Council's Financial Director, Director of Corporate Support Services and Chief Estates Officer.
2. **Oakwood Hill Depot** – A planning application had been re-submitted and was registered as valid on 5th March 2014.
3. **Pyrles Lane Nursery** – The planning application for residential development has been refused. A further application will be considered in the future taking account some of the concerns raised at the planning committee. The house 79 Pyrles Lane adjacent to the

entrance has been purchased by the Council. A further planning application is now being considered by the Council's consultants.

4. St John's Road – Essex County Council, Epping Town Council and this Council, have carried an expressions of interest exercise which has attracted strong interest. A presentation was made to EFDC and ETC councillors on 10th October and ETC have now appointed Strettons chartered surveyors to act on their behalf. Permission has been sought from councils to enter into detailed negotiations from a mixed use developer to ascertain the details of their offer for a fixed period. This approach has been approved by EFDC and ETC and approval is awaited from ECC who have recently appointed a new Portfolio Holder to this position. This will then be considered by members of all three councils to decide if they wish to take it further forward.

5. Waste Contractor's Depot – This is currently being considered as part of the re-tendering of the waste contract by the Director of Environment and the results will not be known until July 2014.

6. North Weald Airfield – This being looked at as part of the new Local Plan and in particular the Master Plan for North Weald. In addition the Estates Section are taking advice from consultants, Savills, with regard to the Council's land holdings.

7. Torrington Drive – The Council have purchased the Head Lease of the Sainsbury store from Stobart Properties. The Sainsbury store is currently undergoing refurbishment and re-fitting and we believe is due to re-open in late March/early April.

8. Winston Churchill Public House – A developer has agreed Heads of Terms with the Council and Spirit Pub Group to redevelop the site for two retail units, a pub and 64 flats. Negotiation of a development agreement is on going. The planning application was heard on 11th December 2013 at the District Development Control Committee and approved subject to signature of the Section 106 Agreement. The Section 106 Agreement needs to be signed by the developer by the 31 March 2014 for the planning approval to be issued which will also involve signing a development agreement.

9. Broadway Car Parks / Burton Road Depot – A number of commercial and residential proposals are being considered in conjunction with the larger sites mentioned above but there are no firm proposals at this time. At the Asset Management Co-ordination Group on 10th March 2014 it was agreed that a scheme to demolish garages in Vere Road and layout new parking for shoppers and the Sir Winston Churchill development would be brought forward.

10. Lindsey House Epping – The leaseholders have indicated a wish to surrender the lease back to the Council at no cost to the Council. The Council's agent has prepared a schedule of dilapidations and a payment of £7,000 to the Council has been made. Officers are now considering the future potential use/sale of the property.

11. Town Mead Depot – The Council architect has prepared outline drawings and Waltham Abbey Town Council (WATC) have discussed the matter at a council meeting. A meeting has been held with the Leader and Clerk of WATC and matters are now being progressed with consultants. Legal aspects such as the Essex Act are also being looked into.

12. Church Hill Former Car Park – The site has been marketed and following a second round of final bids an offer has been accepted. This is now with Legal Services for completion.

13. Leader Lodge – Preparation to re-market is under way.

Resource Implications:

None as this is a progress report.

Legal and Governance Implications:

N/A

Safer, Cleaner and Greener Implications:

N/A

Consultation Undertaken:

N/A

Background Papers:

None

Impact Assessments:

Risk Management

N/A

Equality and Diversity:

N/A

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? Yes No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? Yes No

What equality implications were identified through the Equality Impact Assessment process?

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?

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Report to the Asset Management and Economic Development Cabinet Committee



Report reference: *AMED-015-2013/14*
Date of meeting: *10 April 2014*

**Epping Forest
District Council**

Portfolio: Asset Management & Economic Development

Subject: Income generation at North Weald Airfield

Responsible Officer: John Gilbert (01992 564062)
Chris Pasterfield (01992 564124)

Democratic Services Officer: Jackie Leither (01992 564756)

Recommendations/Decisions Required:

To note the current position regarding the maximisation of income at North Weald Airfield

Executive Summary:

There are a number of sources of income generated at North Weald Airfield. The major annual sum arises from the weekly Saturday and associated Bank Holiday Markets. There is then income derived from the various licences and leases associated with the letting of hangar space for the aviation tenants. The final source can best be described as short term or casual lettings, since they relate to miscellaneous arrangements at the Airfield, although a number of these take place on a regular basis over extended periods of time. This report deals, in the main, with the latter category.

Reasons for Proposed Decision:

To update the Cabinet Committee on present arrangements

Other Options for Action:

None

Report:

1. Cabinet Committee has previously requested details of income generation at the Airfield, in the main to enable a better understanding of where the income is generated from and how that related to aviation activities might be increased.
2. There are three main sources of income at the Airfield:
 - (a) that related to the Saturday and associated Bank Holiday Markets;
 - (b) that related to the leases and licences held by the various aviation and non-aviation tenants (i.e. those occupying hangars and other buildings); and
 - (c) that associated with short term/casual lets for a range of different activities.
3. In the main, categories (a) and (b) are managed by the Estates Division (currently within the Governance Directorate) whilst category (c) is managed by the Airfield Manager as part of operational duties, within the new Neighbourhoods Directorate. This report deals primarily with this category.

4. There has been an increase in income generated via casual lettings in 2013/14 from £74,000 in 2012/13 to an estimated £98,000. This is an increase of 32% year on year. This arose from:

- a monthly increase negotiated with Carlimits
- attracting new users such as Stunt Drive UK
- use of the runway at £1,000 per day for vehicle racing/testing
- general increase in ad-hoc uses generated through the “Spirit of North Weald” newsletter (copies attached for Members’ information)

Further increases in 2014/15 are anticipated through additional ad-hoc users, including a company who intends to operate a vertical wind tunnel.

5. The availability of the Airfield to generate income from large scale events remains limited, due to:

- runway availability for non-aviation uses
- regular users such as Carlimits
- the Saturday markets
- the current economic climate
- other local competing venues (e.g. Hylands park)

6. The Airfield Manager continues to seek to attract new and additional ad-hoc and casual uses, in addition to the use of the Airfield for a range of charitable events for which no fees are levied (e.g. fun runs, Air Ambulance events etc). There is also the annual “Family/Fun Day” held in early September each year, where an admission fee is levied but the proceeds go towards charities such as the Air Ambulance, St Clare’s Hospice and ‘Help for Heroes’. These events are also financially supported by a number of Airfield tenants.

7. Members have in the past questioned why the Council does not levy a landing fee for non-North Weald based aircraft using the Airfield. Whilst this appears to be a relatively simple thing to introduce, in reality it is not. Levying a fee for landing, or indeed overnight stays etc, changes the emphasis of the Airfield and requires a degree of investment into the Airfield itself as well as into the arrangements for collecting the fees themselves. That said, it is clear that income could be generated, but it would require careful consultation and negotiation with existing aviation users as well as additional resources for the Airfield management team.

8. An additional potential source of income relates to permitting the use of the Airfield for flight training activities. Until relatively recently, formal flight training could not be undertaken at Airfields which did not hold the minimum licensed status from the Civil Aviation Authority (CAA). However, that has changed and it is now possible for some flight training activities to be undertaken from unlicensed airfields. This again has operational and environment considerations for the Airfield and the locality and may require additional investment in the Airfield infrastructure.

9. The issues discussed in paragraphs 7 and 8 above have not been actively pursued whilst the long term future of the Airfield remains uncertain. Both require commitments from the Council and the aviation tenants in terms of the infrastructure and operational changes that will be required to introduce them, and this is problematical at this time. Issues around the condition of the runway have yet to be finally resolved, and this will be important in generating the right conditions at the Airfield, both in terms of infrastructure and future confidence of aviation based and other tenants.

Resource Implications:

Details of additional income generation set out in paragraphs 1 to 9 of the main report. It is recognised that the finances of the Airfield are heavily dependent upon the success of the market operator, whose payments to the Council have been reduced over recent years to reflect the difficult economic circumstances and the effects of prolonged poor weather. It is also clear that aviation generally should 'pay its way' at the Airfield, but this is, within the context of existing leases and licences, difficult to achieve.

Legal and Governance Implications:

As a working Airfield, care has to be taken to ensure that all non-aviation based activities can be operated safely, both in terms of the users and the aviation tenants. The runway can only be closed to aviation on a limited number of occasions per annum, other than on safety grounds. The introduction of landing fees and other associated aviation fees may impact upon existing leases and licences. These cannot be discussed in this report.

Safer, Cleaner and Greener Implications:

There are no immediate implications.

Consultation Undertaken:

None

Background Papers:

Various reports to Cabinet and the Cabinet Committee. Commissioned reports from Scott Wilson, Halcrow, Deloittes and RPS. Please note the full versions of some of these reports contain information which is considered to be commercially sensitive and therefore confidential.

Impact Assessments:Risk Management

The financial consequences of further reductions in income would prove difficult for the Council, especially if the income stream from the market was to decline further or cease. It is therefore important that the Council seeks to diversify and where possible increase its income streams at the Airfield.

Due Regard Record**Name of policy or activity:****Maximisation of Income at North Weald Airfield**

April 2014 John Gilbert

The viability of the Airfield for use for various charitable events and organisations is important. The money raised at such events makes significant contributions to a wide range of charitable organisations representing various groups of people. The ability to offer the Airfield free of charge for such fund raising events is consequent upon it remaining financially viable overall.

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