

EPHING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: North Weald Airfield Strategy **Date:** 31 July 2007
Cabinet Committee

Place: Committee Room 1, Civic Offices, **Time:** 7.25 - 8.05 pm
High Street, Epping

Members Present: Mrs A Grigg (Chairman), M Cohen, Mrs D Collins, Mrs M Sartin, D Stallan and C Whitbread

Other Councillors: Mrs P Smith

Apologies:

Officers Present: P Haywood (Joint Chief Executive), D Macnab (Head of Leisure Services), L MacNeill (Assistant Head of Leisure Services), D Goodey (General Manager North Weald Airfield), M Scott (Valuer and Estates Surveyor) and G J Woodhall (Democratic Services Officer)

1. DECLARATIONS OF INTEREST

There were no declarations of interest pursuant to the Council's Code of Member Conduct.

2. ANY OTHER BUSINESS

It was noted that there was no other urgent business for consideration by the Cabinet Committee.

3. TERMS OF REFERENCE

It was suggested that the Nota Bene section of the Terms of Reference was not relevant, as the Cabinet was no longer constituted on a pro-rata basis amongst the different political groupings. It was agreed that the attention of the Head of Research and Democratic Services would be drawn to this and that the Constitution should be amended accordingly in due course.

The Cabinet Committee noted its Terms of Reference.

4. NORTH WEALD AIRFIELD PLANING CONTEXT - EAST OF ENGLAND PLAN

The Planning and Economic Development Portfolio Holder presented a report concerning the planning context of North Weald Airfield in relation to the East of England Plan. The Portfolio Holder reported that North Weald Airfield had continued to be omitted as a location for major development, following the receipt of the Secretary of State's Proposed Changes to the East of England Plan for 2001-2021 and Statement of Reasons. During consideration of the East of England Plan, the Council had adopted a prudent approach to the length of leases and licences granted

to tenants at the Airfield. The general policy had been to offer tenants certainty until 31 December 2007, with annual break clauses thereafter that could be exercised by either party until 2010. This had allowed operators a degree of certainty, whilst still enabling the Council to retain sufficient flexibility to respond to possible development pressures. With the removal of the threat of a Regional Planning Guidance compelling the Council to develop alternative uses for the Airfield, a longer-term view regarding the lease and licence arrangements for the site could be taken. This would enable the Council to pursue its objective of maximising leisure use of the airfield whilst also managing the site as efficiently as possible and maximising income.

RESOLVED:

That, in relation to the East of England Plan, the planning context for North Weald Airfield be noted.

5. EXTENSION OF RETAIL MARKET AGREEMENT - NORTH WEALD AIRFIELD

The Head of Leisure Services presented a report concerning the extension of the Retail Market Agreement at North Weald Airfield. It was reported that Hughmark International, a trading name of Rondeau General Merchants Limited, had been a longstanding tenant at the airfield, operating what was considered to be the United Kingdom's largest Saturday and Bank Holiday market. Currently, the market represented the most significant source of income to the Council from the site, enabling many of the other uses to be subsidised. Hughmark International wished to maintain confidence amongst their traders and had formally approached the Council to seek assurance about their medium-term future at the site; the current licence was due to expire in 2010. Negotiations had taken place with Hughmark International, and a proposal had been drafted which attempted to deliver the surety sought by Hughmark International whilst also safeguarding the Council's financial position and providing a degree of flexibility should circumstances change in the future.

The Cabinet Committee felt that the renewal of the licence would indicate that large-scale housing development at the airfield was not imminent, and would be popular with the residents of North Weald who were keen for the market to continue. It was confirmed to the Cabinet Committee that the new agreement would have no break clauses for the period 2007 to 2010. The Cabinet Committee did stipulate that the landlord and not the tenant should only be able to exercise the break clauses applicable from 2010 onwards. The Cabinet Committee were advised that the Meadow Area did not form part of the Green Belt area of the airfield, and that if the offered sum was not sufficient to resurface the area then the Council would have to consider whether to make up the shortfall.

RECOMMENDED:

- (1) That the current Retail Market Licence be surrendered and a new licence with amended terms be granted;
- (2) That the length of the new Retail Market Licence be from 2007 to 2017, subject to an annual landlord only break clause from 2010;
- (3) That the new Retail Market Licence be uplifted by £1,000 per market with effect from 2010, with annual index linking for inflation; and
- (4) That, in addition to the existing annual Airfield Improvement Contribution and as a single additional contribution to the Airfield Improvement annual charge, a lump sum payment of £150,000 be contributed

by Rondeau General Merchants Limited, trading as Hughmark International, towards the resurfacing of the Meadow Area at the commencement of the new agreement.

6. FUTURE USE OF HANGAR ONE

The Head of Leisure Services presented a report about the future use of Hangar One. The Royal Air Force had erected the building known as Hangar One in the 1930's for the housing and maintenance of aircraft and it was currently situated within the employment zone of the Airfield. It had been leased by Hughmark International, who served notice to the Council on 25 June 2007 of their intention to terminate the lease on 31 December 2007. The general condition of the building was such that the roof required full refurbishment, the main armoured doors required repair or replacement, and the building lacked modern electrical and mechanical services.

The Head of Leisure Services reported that prior to their decision to terminate the lease, Hughmark International had instructed a commercial agent to market the Hangar to ascertain the future letting potential. As a result of the exercise, Hughmark International had informed the Council that Becro Engineering Limited had expressed interest in leasing Hangar One. Becro Engineering Limited, who had verbally indicated that they might be prepared to refurbish the Hangar, did not consider the current condition of the Hangar an insurmountable issue. An annual rent of £85,000 had been offered, subject to review after five years, provided the Council were prepared to grant a minimum ten-year lease without break clauses. The company would also have to submit a planning application for change of use to General Industrial (B2), however the Local Plan had suggested that this use would be considered appropriate for the location.

The Cabinet Committee felt that as the commercial agent engaged by Hughmark International had conducted an extensive marketing exercise for Hangar One, the acceptance of the offer by Becro Engineering Limited would be consistent with the Council's need to obtain best consideration for the site. The Head of Leisure Services added that the company were also planning to bring their Research and Development, and Design branches of the business to the site, and that as an engineering company, there was the possibility of an apprentice scheme being set up, which would be of benefit to youngsters within the locality. In addition, the proposed use of the building would not interfere with the Airfield's programme of outdoor events. The Cabinet Committee felt that, subject to further information regarding the proposed refurbishment and maintenance works, the proposed lease should be agreed in principle and recommended to the Cabinet for approval.

RECOMMENDED:

- (1) That a minimum ten-year lease with Becro Engineering Limited be agreed in principle as the best future option for the use of Hangar One, at an annual rent of £85,000 per annum on a full repairing basis for the purposes of fabricating structural steelwork and subject to review after five years;
- (2) That the final terms of the lease, to include further information about the proposed refurbishment and maintenance works, be negotiated with Becro Engineering Limited and reported to the Cabinet for final approval by the Finance, Performance Management and Corporate Support Services Portfolio Holder; and
- (3) That, as the proposed future manufacturing use is a deviation from the current approved general storage or distribution uses, the potential

environmental impact of the proposal be fully considered as part of the planning application process.

7. DATE OF NEXT MEETING

The Cabinet Committee felt that a further meeting should be arranged following the next meeting of the Cabinet on 3 September 2007. The Democratic Services Officer agreed to liase with the members of the Cabinet Committee and organise another meeting.

CHAIRMAN