

## **Report to the Cabinet**

**Report reference:** C-057-2011/12  
**Date of meeting:** 30 January 2012



**Portfolio:** Finance & 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 the Council agrees to sanction a DDF bid of expenditure up to £205,000 for 2012/13 to cover consultant feasibility costs for nine projects as detailed below.

### **Executive Summary:**

This report asks for funds to employ consultants to carryout design, valuation and costing of potential development for a number of projects 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.

### **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, and 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. Progress on these sites is regularly reported to the Asset Management Coordination Group and the North Weald Airfield and Asset Management Cabinet Committee.

4. Current expenditure or committed expenditure for the projects approved at the Cabinet on 1 February 2010 are as follows:

Oakwood Hill Depot	£23,170
Langston Road Depot	£31,162
Merlin Way Business	£30,000
Town Mead Depot	£ 5,000
Church Hill Car Park	£ 4,000
Torrington Drive	£20,500
Sir Winston Public House	£16,770
St John's Road	£19,500
Medical Centre North Weald	£ 10,026
Pyrles Lane Nursery	£ 9,000
Cartersfield Road	£ 4,500
Broadway Car Parks	£19,545
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<u>Total</u>	£193,173

5. The Budget Estimate for 2012-2013 is as follows:

Oakwood Hill Depot	£20,000
Langston Road Depot	£30,000
North Weald Airfield	£50,000
Town Mead Depot	£20,000
Church Hill Car Park	£10,000
The Broadway/Torrington Drive	£25,000
Sir Winston Churchill Public House	£20,000
Pyrles Lane Nursery	£20,000
Additional Public Toilet Facilities	£10,000
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<u>Total</u>	£205,000

6. The estimated Gross Development Values for these sites range from £750,000 to £38million and are indicative figures based upon current information. The final values will be dependant on a number of variables including such matters as grant of planning permission and factors as revealed by consultants' reports and negotiations.

7. Current Project Status:

(a) Oakwood Hill Depot – Norfolk Property Services have been appointed as design and

planning consultants to look at different options. Topographical, ecological, tree and highways surveys have been completed. NPS have undertaken a Sustainable Energy Report. Agreed designs will then be submitted for planning approval.

(b) Langston Road Depot – planning application submitted December 2010. Highway improvement works are being agreed with Essex Highways and it is anticipated that the application will be considered at a planning committee within two months. Development and legal consultants are progressing negotiations with Polofind Ltd the owners of the other half of the site to formalise a development agreement.

(c) North Weald Airfield – Following the Halcrow Report, the Council are considering uses within and outside the airport perimeter including the possibility of a depot for the refuse contractor service.

(d) Town Mead Depot – A topographical survey has been completed and a report on flood issues received from Peter Brett Associates. It is anticipated that further discussions will be required with the Environment Agency before an outline planning application can be considered.

(e) Church Hill Car Park – a number of potential future uses are being considered including temporary ones.

(f) The Broadway/Torrington Drive – There are on going talks with Stobart Properties who own the long leasehold interest in the Sainsbury site. A number of sites to the north and south of the Broadway are being considered for a variety of development.

(g) Sir Winston Churchill PH – negotiations are continuing with Punch Taverns for the redevelopment of the site to include retail with residential above in accordance with the planning development brief.

(h) Pyrles Lane Nursery – topographical, highways and tree surveys have been carried out and a residential layout plan has been prepared by the Council's architect. Further survey work maybe required before a planning application can be considered.

(i) Public Toilets – the Council has resolved to consider the provision of public toilets in the District which may include entering into legal agreements with private business to allow their toilets to be open to the general public.

8. The budget required to progress the different scheme options for St John's Road, Epping and to carry out the public consultation will be financed from the LDF money already allocated within the DDF budget.

#### **Resource Implications:**

£205,000 of District Development Funding for 2012/13.

#### **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

If specialist consultant advice is not obtained then it may not be possible to progress the assessment of risk or there may be insufficient information for an accurate risk assessment to be made.

Equality and Diversity

No implications at this time.