



Please reply to:

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Date: 24 July 2020

Notice of meeting

Property and Investment Committee

Date: Monday, 3 August 2020

Time: 9.30 am

Place: Skype for Business Conference call

The members of the Committee	Cabinet member areas of responsibility
J.R. Boughtflower	Leader
J. McIlroy	Deputy Leader
	Portfolio Holder for Finance

Spelthorne Borough Council, Council Offices, Knowle Green

Staines-upon-Thames TW18 1XB

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AGENDA

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- 1. Apologies**
To receive any apologies for non-attendance.
- 2. Minutes** **5 - 12**
To agree the minutes of the meeting held on 22 June 2020 as a correct record.
- 3. Disclosures of Interest**
To receive any disclosures of interest from members of the Committee in accordance with the Council's Code of Conduct for members.
- 4. Terms of Reference** **13 - 14**
To consider and review the Terms of Reference for the Property and Investment Committee. (copy attached)
- 5. Exempt Business**
To move the exclusion of the Press/Public for the following items, in view of the likely disclosure of exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006.
- 6. Proposed termination of Landid Asset Management Contract** **To Follow**
To note a report on the proposed termination of the Landid Asset Management Contract.

Reason for exemption

This report contains exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006:

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because if potential third parties were aware that the Council publish commercially sensitive information during the life of those agreements, they would be dissuaded from transacting with the authority and this may put the authority at a disadvantage in securing services for its properties.

7. Proposed payment plan for Jazz Networks at Charter Building **To Follow**

To consider a report on the proposed payment plan for Jazz Networks at Charter Building.

Reason for exemption

This report contains exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006:

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because if potential tenants were aware that the Council publish commercial information prior to leases being completed, they would be dissuaded from transacting with the authority and this may put the authority at a disadvantage in securing tenants for its properties.

8. Proposed payment plan for Parkside Recruitment at Charter Building **To Follow**

To consider a report on a proposed payment plan for Parkside Recruitment at Charter Building.

Reason for exemption

This report contains exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006:

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because if potential tenants were aware that the Council publish commercial information prior to leases being completed, they would be dissuaded from transacting with the authority and this may put the authority at a disadvantage in securing tenants for its properties.

9. Proposed payment plan for Ashford Town Football Club **To Follow**

To consider a report on a proposed payment plan for Ashford Town Football Club.

Reason for exemption

This report contains exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006:

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because if potential tenants were aware that the Council publish commercial information prior to leases being completed, they would be dissuaded from transacting with the authority and this may put the authority at a disadvantage in securing tenants for its properties

10. Proposed payment for FB Staines Ltd t/a Auntie Annes at Mall Kiosk, Elmsleigh Centre

To Follow

To consider a proposed payment for FB Staines Ltd t/a Auntie Annes at Mall Kiosk, Elmsleigh Centre.

Reason for exemption

This report contains exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006:

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because if potential tenants were aware that the Council publish commercial information prior to leases being completed, they would be dissuaded from transacting with the authority and this may put the authority at a disadvantage in securing tenants for its properties.

11. Verbal Quarterly Update

To receive a verbal quarterly report on the management of investment assets.

Reason for exemption

This report is likely to contain exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Minutes of Property and Investment Committee

22 June 2020

Present:

Councillor I.T.E. Harvey, Leader of the Council
Councillor H. Harvey, Investment, Management and Regeneration Portfolio
Councillor O. Rybinski, Deputy Leader and Finance Portfolio Holder

Councillors in attendance:

Councillors C. Barnard, C. Barratt, R. Barratt, C. Bateson, J. Boughtflower, R. Chandler, R. Dunn, S. Dunn, T. Fidler, N. Gething, M. Gibson, K. Grant, T. Mitchell, J. McIlroy, L. Nichols, R. Noble, J. Sexton and R. Smith-Ainsley.

2708/20 Disclosures of Interest

There were no disclosures of interest.

2709/20 Exempt Business

Resolved to move the exclusion of the Press and Public for the following items in view of the likely disclosure of exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006.

2710/20 Exempt report - Property Letting 'D'

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

The Property and Investment Committee considered an exempt report on property letting 'D'.

The Asset Management Contractor outlined the proposed terms of the lease and the benefits to the Council of securing this tenant.

Alternative options considered and rejected by the Committee:

- Not to agree the letting.

Resolved to approve the proposed letting 'D' on the terms set out in the exempt report.

Reason for Decision:

The unit is currently void and not income producing. The proposed letting is in keeping with current market conditions and fits with the strategy of securing income in line with the major lease expiries elsewhere on the estate.

2711/20 Exempt report - Property Letting 'E'

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

The Property and Investment Committee considered an exempt report on property letting 'E'.

The Asset Management Contractor outlined the proposed terms of the rent concession and the benefits, and risks, to the Council of assisting, or not, this tenant.

Alternative options considered and rejected by the Committee:

- Not to agree the rent concession.

Resolved to approve a rent concession to property letting 'E', in return for a longer lease and additional security.

Reason for Decision:

The proposed terms will assist the cash flow of the tenant in the difficult economic climate, thereby preventing a void unit and associated void costs.

2712/20 Exempt report - Property Letting 'F'

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

The Property and Investment Committee considered an exempt report on property letting 'F'.

The Asset Management Contractor outlined the proposed terms of the lease and the benefits to the Council of securing this tenant.

Alternative options considered and rejected by the Committee:

- Not to agree the letting.

Resolved to approve the letting for property 'F' on the terms as set out in the exempt report.

Reason for Decision:

The letting will reduce the void rate within the building. It is in line with the business plan for the property and the terms are favourable in the current market.

2713/20 Exempt report - Property Letting 'G'

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

The Property and Investment Committee considered an exempt report on property letting 'G'.

The Property and Development Manager outlined the proposed terms of the deferment and the risks and benefits associated with it.

Alternative options considered and rejected by the Committee:

- Not to agree the rent deferment.

Resolved to approve a rent deferment in relation to letting 'G', in return for a longer lease and extended security and an increase in the overall amount of rent received.

Reason for Decision:

The proposed terms will assist the cash flow of the tenant in the difficult economic climate and should prevent void units and associated void costs.

NOTES:-

- (1) *Members of the Overview and Scrutiny Committee are reminded that under Overview and Scrutiny Procedure Rule 16, the "call-in" procedure shall not apply to recommendations the Property and Investment Committee (PIC) makes to the Council. The matters on which recommendations have been made to the Council, if any, are identified with an asterisk [*] in the above Minutes.***
- (2) *Members of the Overview and Scrutiny Committee are entitled to call in decisions taken by the PIC for scrutiny before they are implemented, other than any recommendations covered under (1) above.***
- (3) *Within five working days of the date on which a decision of the PIC is published, not less than three members [one of whom must be the Chairman] of the Overview and Scrutiny Committee are able to "call in" a decision;***
- (4) *To avoid delay in considering an item "called in", an extraordinary meeting of the Overview and Scrutiny Committee will be convened within seven days of a "call in" being received if an ordinary meeting is not scheduled in that period;***
- (5) *When calling in a PIC decision for review the members doing so should in their notice of "call in":-***
 - ***Outline their reasons for requiring a review;***

- ***Indicate any further information they consider the Overview and Scrutiny Committee needs to have before it in order to conduct a review in addition to the written report made by officers to the PIC;***
 - ***Indicate whether, where the decision was taken collectively by the PIC, they wish the Leader or his nominee (who should normally be the Cabinet Member) to attend the committee meeting; and***
 - ***Indicate whether the officer making the report to the PIC or his/her representative, should attend the meeting.***
- (6) ***The deadline of five working days for "call in" by Members of the Overview and Scrutiny Committee in relation to the above decisions by the PIC is the close of business on 30 June 2020.***

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TERMS OF REFERENCE

PROPERTY AND INVESTMENT COMMITTEE

A Cabinet Sub-Committee

Membership

3 Members of Cabinet

Members: - Usually the Leader as Portfolio Holder for Strategic Assets, Portfolio Holder for Finance and the Deputy Leader or as selected by the Leader.

Substitutes: - In the case where any member of the Committee gives apologies for a meeting or is otherwise indisposed, the Leader may substitute any other member of Cabinet to attend in place of that Member.

Attendance: - Members are not obliged to attend in person and may attend the meeting by electronic means via conference call or similar.

Quorum. Notwithstanding Council Standing Orders Part 4 Section (a), the quorum for this meeting is two Members.

Officers in attendance: - Chief Executive, Deputy Chief Executive (s 151), Head of Corporate Governance, Property and Development Manager and any other officer by invitation.

Responsibilities

Acquisitions

Where officer/member delegation financial limits are exceeded, to receive recommendations from officers with regards to potential new acquisitions and give initial steer on whether to further investigate investment opportunities. To approve and make recommendations when a new acquisition opportunity should be referred to Cabinet for decision.

Disposals

Where officer/member delegation financial limits are exceeded, to receive recommendations from officers with regards to potential freehold disposals of assets and give initial steer on whether to further investigate. To approve and make recommendations when a disposal opportunity should be referred to Cabinet for decision.

Management of Strategic Investments

- 1) To approve leasehold disposals (lettings) in respect of the Investment properties which exceed the officer/member delegation financial limits.

- 2) To approve the transfer of assets in the residential fund to or from Knowle Green Estates Limited if deemed necessary for the appropriate and effective management of the asset.
- 3) To receive quarterly reports on the management of investment assets to include details on rental income, potential new letting opportunities, significant assignments and any other estates management issues officers consider necessary for discussion.
- 4) To receive reports at key stages on individual assets when tenancies are coming up for review.

Management of Municipal Portfolio

- 1) To approve leasehold disposals (lettings) in respect of municipal properties which exceed the officer/member delegation financial limits.

Development

- 1) To receive reports from officers for discussion regarding options for the development of sites owned by the Council. To approve whether a new development opportunity should be referred for decision through Cabinet and/or Council, as appropriate.
- 2) To receive quarterly reports on progress of development programme.

Frequency

Fortnightly meetings (dates agreed in advance in the Council's calendar of meetings). Where meetings are not necessary for lack of business they will be cancelled.

Decisions

Decisions of PIC are Executive decisions and are subject to the call-in procedure of the Overview and Scrutiny Committee