



*Please reply to:*

Contact: Christeen Abee  
Service: Committee Services  
Direct Line: 01784 446224  
E-mail: c.abee@spelthorne.gov.uk  
Date: 05 March 2025

## **Notice of meeting**

### **Business, Infrastructure and Growth Committee**

**Date:** Thursday, 13 March 2025

**Time:** 7.00 pm

**Place:** Council Chamber, Knowle Green, Staines-upon-Thames TW18 1XB

#### **To the members of the Business, Infrastructure and Growth Committee**

Councillors:

H.R.D. Williams (Chair)	M. Beecher	S. Gyawali
J.R. Boughtflower (Vice-Chair)	T. Burrell	N. Islam
C. Bateson	D.C. Clarke	A. Mathur
S.N. Beatty	M. Gibson	S.C. Mooney

Substitute Members: Councillors J. Button, J.P. Caplin, A. Gale, R.V. Geach, D.L. Geraci, L. E. Nichols and D. Saliagopoulos

*Councillors are reminded that the Gifts and Hospitality Declaration book will be available outside the meeting room for you to record any gifts or hospitality offered to you since the last Committee meeting.*

**Spelthorne Borough Council, Council Offices, Knowle Green**

**Staines-upon-Thames TW18 1XB**

[www.spelthorne.gov.uk](http://www.spelthorne.gov.uk) [customer.services@spelthorne.gov.uk](mailto:customer.services@spelthorne.gov.uk) Telephone 01784 451499

# Agenda

Page nos.

**1. Apologies and Substitutes**

To receive any apologies for non-attendance and details of Member substitutions.

**2. Minutes**

**5 - 14**

To confirm as a correct record the minutes of the meeting held on 16 January 2025.

**3. Disclosures of interest**

To receive any disclosures of interest from members in accordance with the Members' Code of Conduct.

**4. Questions from members of the Public**

The Chair, or their nominee, to answer any questions raised by members of the public in accordance with Standing Order 40.

At the time of publication of this agenda no questions were received.

**5. Forward Plan**

**15 - 18**

To note the Forward Plan for future business.

**6. Appointment of a Director to the Board of Visit Staines (the Business Improvement District in Staines upon Thames)**

**19 - 24**

To consider the appointment of a director to the Board of Visit Staines (the Business Improvement District in Staines-upon-Thames).

**7. Ashford Business Improvement District (BID) Verbal Update**

**Verbal Report**

To receive a verbal update on an Ashford Business Improvement District (BID).

**8. HSR/SLR Working Group Updates**

**Verbal Report**

To receive a verbal update from the Chair of the HSR/SLR Working Group.

**9. Updates on Short-Term Priority Development Delivery Sites**

**Verbal Report**

To receive a verbal update on Short-Term Priority Development Delivery Sites.

**10. Council Land and Property Disposals**

**25 - 34**

To consider a report on the remarketing of Thameside House.

**11. Exclusion of Public and Press (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.

**12. Disposal of Ashford Victory Place**

**To Follow**

This page is intentionally left blank

**Minutes of the Business, Infrastructure and Growth Committee  
16 January 2025**

**Present:**

Councillor H.R.D. Williams (Chair)  
Councillor J.R. Boughtflower (Vice-Chair)

**Councillors:**

C. Bateson	T. Burrell	A. Mathur
M. Beecher	D.C. Clarke	S.C. Mooney

**Substitutions:** Councillors J. Button (In place of S.N. Beatty)  
J.P. Caplin (In place of S. Gyawali)

**Apologies:** Councillors S.N. Beatty, M. Gibson and N. Islam

**1/25 Apologies and Substitutes**

Apologies were received from Councillor Beatty, Councillor Gibson, Councillor Gyawali and Councillor Islam. Councillor Button attended as substitute for Councillor Beatty, Councillor Caplin substituted for Councillor Gyawali.

**2/25 Minutes**

The minutes of the meeting held on 05 December 2024 were confirmed as a correct record.

**3/25 Disclosures of interest**

Councillors Clarke, Mooney and Williams declared that they were members of the Spelthorne Business Forum.

**4/25 Questions from members of the Public**

There were none.

**5/25 Forward Plan**

The Committee **resolved** to note the Forward Plan.

**6/25 HSR/SLR Working Group Updates**

The Committee received a verbal update from the Chair of the HSR/SLR Working Group.

Councillor Bateson advised that he would be organising a visit for members of the Working Group, to Terminal 5 at Heathrow Airport to examine the existing infrastructure there. Members of the Working Group were asked to provide Councillor Bateson with their availability for the last week of January and the first two weeks of February. A visit would also be scheduled to view the monorail at Luton Airport.

An In-depth study on the benefits of the proposed Elizabeth line extension had been circulated to all members of the group.

It was agreed that Councillor Mooney would be added as a member of the Working Group.

The Committee **resolved** to note the update.

**7/25 Waterfront Development Update**

The Committee received a verbal update from the Principal Asset Manager.

The Committee were advised that lawyers had been instructed in early December, with a view to the exchange happening by the end of January.

The Committee asked what would happen to the lease if the proposals for a unitary went ahead, and were advised that all obligations would transfer to the new body.

The Committee queried what the next steps would be and were informed that Arora would have two years in which to obtain planning permission.

The Committee **resolved** to note the update.

**8/25 Business, Infrastructure and Growth Draft Detailed Budget**

The Committee considered a report on the draft budget for this Committee.

The Joint Financial Service Manager introduced the report and advised members that a simplified version of the budget had been provided as a supplementary document.

The Committee queried the increase in salaries listed under the Planned Maintenance Programme and were advised that a written explanation would be provided to members.

The Committee requested clarification as to why some cost centres were valued at zero in 24/25 but not for 25/26. The Economic Development Manager advised that this was due to the zero-based budget approach and that for 24/25 some items had been grouped together under one cost code whereas for 25/26 those items had individual cost codes.

The Committee queried the Consultants fees listed under the Spelthorne Youth Hub and were advised this reflected the management arrangement with the Ashford Youth Centre who provide a Manager, an Operations Lead and Skills Coaches and that these staff provide experience and contacts. The Chair echoed the Committees concern over the use of consultants and suggested a review of all consultants should be considered.

The Committee requested information on how the Business Incubator was performing and were advised that it had exceeded the targets set by the Department for Work and Pensions and that quarterly progress reports would be presented to the Committee, with the first due in June.

The Committee requested information on the Staffing Budget for Business, Infrastructure and Growth as well as for the Council as a whole. The Committee were advised that a written response would be provided on the first point, while the second point would be address as part of the wider budget reports being presented to Council on 27 February 2025.

The Committee **resolved** to:

1. Agree they had reviewed the draft detailed budget for 2025/26 for Business, Infrastructure & Growth Committee and agreed any amendments
2. Recommend to Corporate Policy and Resources Committee to approve the proposed budget.

## **9/25 Grant Application by the Spelthorne Business Forum**

The Committee considered a report on a grant application made by the Spelthorne Business Forum.

The Economic Development Manager introduced the report and highlighted that the money would fund two members of staff enabling them to provide networking events, maintain an online directory and send out communications.

The Committee queried whether there were other options such as a loan instead of a grant and were advised that the Business Forum is not able to apply for other sources of funding and that the amount was accounted for in the Economic Development Service Plan for 2025/26.

The Committee **resolved** to recommend to Council to approve the grant application made by the Spelthorne Business Forum.

**10/25 Exclusion of Public and Press (Exempt Business)**

It was proposed by Councillor Boughtflower, seconded by Councillor Bateson and **resolved** to exclude the public and press for the following agenda items, in accordance with paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 (as amended) because it was likely to disclose 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 disclosure to the public would prejudice the financial position of the authority in being able to undertake even-handed negotiations and finalising acceptable contract terms.

**11/25 Summit Centre, Sunbury-on-Thames, Site Sale**

**The meeting was adjourned at 19:56**

**The meeting reconvened at 20:05**

The Committee considered a report on the proposed disposal of the Summit Centre site.

Councillor Clarke requested that it be noted that he did not agree with the recommendation.

The Committee **resolved** to agree to the recommendations as set out in the report.

**Meeting ended at 20:40**

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



## Spelthorne Borough Council Services Committees Forward Plan and Key Decisions

This Forward Plan sets out the decisions which the Service Committees expect to take over the forthcoming months, and identifies those which are **Key Decisions**.

A **Key Decision** is a decision to be taken by the Service Committee, which is either likely to result in significant expenditure or savings or to have significant effects on those living or working in an area comprising two or more wards in the Borough.

Please direct any enquiries about this Plan to [CommitteeServices@spelthorne.gov.uk](mailto:CommitteeServices@spelthorne.gov.uk).

## Spelthorne Borough Council

### Service Committees Forward Plan and Key Decisions

Anticipated earliest (or next) date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Business, Infrastructure and Growth Committee 13 03 2025	Appointment of a director to the Board of Visit Staines (the Business Improvement District in Staines upon Thames).	Key Decision	Public	Chris Norrington, Economic Development Manager
Business, Infrastructure and Growth Committee 13 03 2025	Ashford BID Verbal Update	Key Decision	Public	Julia Owen, Senior Economic Development Officer
Business, Infrastructure and Growth Committee 13 03 2025	Disposal of Ashford Victory Place	Key Decision	Private	Coralie Holman, Group Head - Assets
Business, Infrastructure and Growth Committee 13 03 2025	Council Land and Property Disposals	Key Decision	Public	Coralie Holman, Group Head - Assets
Business, Infrastructure and Growth Committee 05 06 2025	Ashford BID Report	Key Decision	Public	Chris Norrington, Economic Development Manager
Business, Infrastructure and Growth Committee 05 06 2025	Shared Prosperity Fund	Key Decision	Public	Divya Susmitha, Project Officer

Date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Business, Infrastructure and Growth Committee Date TBC	Partnership Working to Deliver Infrastructure to support new homes	Non-Key Decision	Public	

This page is intentionally left blank



# Business, Infrastructure & Growth Committee

13 March 2025

<b>Title</b>	<i>Appointment of a director to the Board of Visit Staines (the Business Improvement District in Staines upon Thames).</i>
<b>Purpose of the report</b>	To make a decision
<b>Report Author</b>	<i>Heather Morgan, Group Head of Place, Protection &amp; Prosperity</i>
<b>Ward(s) Affected</b>	Staines Ward
<b>Exempt</b>	No
<b>Exemption Reason</b>	N/A
<b>Corporate Priority</b>	Resilience
<b>Recommendations</b>	<b>Committee is asked to:</b> Agree to appoint the Economic Development Manager as a director to the board of Visit Staines Ltd, the Business Improvement District in Staines upon Thames subject to a resolution to appoint by the Visit Staines Board.
<b>Reason for Recommendation</b>	To ensure openness and transparency in appointments through the committee structure providing robust governance and accountability.

## 1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>The Deputy Chief Executive is currently a director, representing the Council on the Visit Staines Board.</li> <li>The Deputy Chief Executive intends to resign from the board.</li> </ul>	<ul style="list-style-type: none"> <li>For transparency it is for the Committee to approve officer/ councillor appointments as directors.</li> <li>As the current director is also the S151 Officer for the Council it is advised that to avoid any potential conflicts of interests the Deputy Chief Executive steps down as a director of Visit Staines.</li> </ul>
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> <li>Appoint the Economic Development Manager or a nominated Councillor as a director of Visit Staines.</li> </ul>	<ul style="list-style-type: none"> <li>This Committee to agree the appointment of a director.</li> <li>Visit Staines Board to approve the appointment.</li> </ul>

- 1.1 This report seeks to present details of the nominations for appointment of a director to Visit Staines Ltd, the Business Improvement District management company.
- 2. Key issues**
- 2.1 The Deputy Chief Executive/ S151 officer represents the Council as a director of Visit Staines Ltd. There is not a time limit imposed by Visit Staines Ltd for this appointment.
- 2.2 As the Council's S151 officer, the Deputy Chief Executive has determined that he intends to step down as a director of Visit Staines Ltd.
- 2.3 As well as statutory duties of a director (as per The Companies Act 2006), the director will be responsible for ensuring oversight over public funds and provide good value for money. ([See Appendix A](#)).
- 2.4 **Business Improvement Districts (BIDs)** play a vital role in fostering economic growth, enhancing the local environment, and creating thriving communities. While businesses are central to the success of a BID, local authorities as key stakeholders in urban planning, infrastructure, and community well-being should also be integral members of BID boards. Here are several reasons why local authorities' participation is essential:
- 2.5 **Alignment of goals and Strategies.** Local authorities are responsible for the long-term development and planning of cities and towns. Their involvement in a BID board ensures alignment between the BID's initiatives and broader public policies, such as urban regeneration, sustainability goals, and infrastructure development. This alignment reduces duplication of efforts and ensures that both parties work toward complementary objectives, maximizing the impact of investments. They provide a forum to combine businesses' interests to collectively improve the local area.
- 2.6 **Access to Expertise and Resources.** Local authorities bring valuable expertise in urban planning, transport, licensing, and environmental management. Their presence on the BID board allows businesses to tap into this knowledge, leading to well-informed decisions and more effective projects. Additionally, local authorities often control funding streams or can facilitate access to grants that could amplify the BID's initiatives.
- 2.7 **Enhanced Communication and Collaboration.** Including local authorities on the BID board fosters open communication and collaboration between the public and private sectors. This partnership can expedite decision-making processes, resolve conflicts more efficiently, and streamline the implementation of projects, such as public realm improvements or event planning.
- 2.8 **Strengthened Advocacy and Influence.** A BID with local authority representation gains a stronger voice when advocating for issues such as policy changes, infrastructure investments, or regulatory support. Local authorities can act as a bridge to other public agencies, ensuring that the BID's priorities are represented and addressed at higher levels of government.
- 2.9 **Increased Accountability and Transparency.** As a levy payer, the presence of a director on the Visit Staines Ltd.'s board provides the Council with oversight and scrutiny of the public money spent by Visit Staines. Having local authorities on the BID board promotes greater accountability and transparency. Their involvement ensures that public funds are spent responsibly and that BID activities align with legal and ethical standards. This accountability fosters trust among stakeholders and demonstrates the BID's commitment to acting in the community's best interest. Spelthorne Borough Council is responsible for collecting the BID levy. Due to this and for transparency purposes, the representant of the Council does not have access to the BID's bank accounts to approve payments. Payments are approved by another BID director.

- 2.10 **Support for Community Well-being.** Local authorities are deeply invested in the well-being of their communities. Their participation ensures that BID initiatives address not only the needs of businesses but also the wider community, including residents and visitors. This holistic approach can enhance the area's appeal, attract more visitors, and boost economic growth.
- 2.11 **Facilitation of Infrastructure and Maintenance.** Many BID projects rely on public infrastructure, such as roads, sidewalks, lighting, and waste management. Local authorities' presence on the board ensures seamless coordination for these services, reducing delays and ensuring that projects meet necessary standards and regulations.
- 2.12 Local authorities are indispensable partners in the success of Business Improvement Districts. Their participation on BID boards brings strategic alignment, expertise, resources, and accountability, creating a more effective and impactful BID. By fostering collaboration between businesses and the public sector, BIDs can drive sustainable growth, improve public spaces, and enhance the overall quality of life for everyone in the community. The Visit Staines 5-year plan can be viewed [here](#).

### **3. Options analysis and proposal**

#### **3.1 Preferred Option 1:**

To recommend the appointment the Economic Development Manager as a director to the board of Visit Staines Ltd.

The appointment will comply with the principles of good governance and will provide overview and scrutiny of public funds ensuring good value for money.

#### **3.2 Option 2:**

To recommend the appointment of a nominated Councillor as a director to the board of Visit Staines Ltd. An officer can attend the board meeting as an invitee and able to advise the nominated Councillor or board as required.

The appointment will comply with the principles of good governance and will provide overview and scrutiny of public funds ensuring good value for money.

#### **3.3. Option 3:**

To not appoint directors to the board.

This option is not recommended as the Council will have no scrutiny and oversight over public funds spent by Visit Staines Ltd.

### **4. Financial management comments**

Officers/ councillors will be required to attend monthly board meetings. Any officer time outside of core hours will be subject to overtime claims. All BID board meetings take place during office hours so unlikely to incur any overtime claims nor has there been any overtime claims to date. The director does not have access to the BID's bank accounts nor can they make any independent financial decisions. There are no other identified financial considerations.

### **5. Risk management comments**

- 5.1 To not appoint a director to the board of Visit Staines Ltd. will likely result in minimal governance and scrutiny. The Council has a responsibility to ensure that public funds are not misappropriated so to mitigate this, a director will provide governance, to ensure responsible allocations of public funds, providing good value for money.
- 5.2 The Council currently pays £5000 in levies out of a total of £285,000 raised by the BID.

### **6. Procurement comments**

- 6.1 None identified

**7. Legal comments**

7.1 These are contained in the body of the report.

**8. Other considerations**

8.1 None identified

**9. Equality and Diversity**

9.1 No impact identified

**10. Sustainability/Climate Change Implications**

10.1 There is no direct impact of officers or councillors being appointed directors.

**11. Timetable for implementation**

11.1 This should be in place for the beginning of the 25/26 municipal year.

**12. Contact**

12.1 Heather Morgan, [h.morgan@spelthorne.gov.uk](mailto:h.morgan@spelthorne.gov.uk)

**Please submit any material questions to the Committee Chair and Officer Contact by two days in advance of the meeting.**

**Background papers: There are none**

**Appendices:**

**Appendix A Responsibilities of a BID Board Member**

## **Appendix A:**

### **Responsibilities of the BID Board Members**

1. To ensure that BID levies are collected as set out in the Business Plan.
2. To ensure that the projects in Visit Staines BID Business Plan are delivered effectively.
3. To monitor progress and report regularly to levy payers, voluntary contributors and other stakeholder.
4. To elect a Chairperson.
5. Board Members must serve collaboratively, positively represent the BID, and act in the best interest of all levy payers.
6. To receive updates from the BID Directors and/or BID Manager in order to be able to report back to the sector represented.
7. To contribute to developing the BID's strategy to enhance the town center and influence decision-makers positively.
8. To ensure that BID activities provide "best value" for levy payers, with results aligned with the Business Plan.
9. To ensure that the BID activities are aligned with the agreed Business Plan.
10. To provide strategic oversight of the BID Executive Team.
11. To approve the draft BID Business Plan developed by the BID staff for each five- year term, engaging businesses throughout the consultation and ballot processes.
12. To act as a positive ambassador for the BID.

### **Responsibilities of the BID Directors**

1. To ensure good governance by adopting BID best practices.
2. To ensure the BID company meets all its financial, legal and employment responsibilities.
3. To support the BID team in managing the renewal ballot at each five-year term's conclusion.

### **Remuneration**

1. Board Members and Directors do not receive any remuneration.

This page is intentionally left blank

**Business Infrastructure & Growth Committee -**  
**13 March 2025**



<b>Title</b>	Council Land and Property Disposals
<b>Purpose of the report</b>	To seek approval to progress with the disposal of Thameside House
<b>Report Author</b>	Bruce Strong – Asset Manager
<b>Ward(s) Affected</b>	All
<b>Exempt</b>	Main Report – No Appendix 1 - Yes
<b>Exemption Reason</b>	The Appendix 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, disclosure to the public would prejudice the financial position of the authority in any contract or other type of negotiation with a prospective purchaser who could then know the position of the Council.
<b>Corporate Priority</b>	Financial Resilience
<b>Recommendations</b>	<b>The Committee is asked to:</b> Agree to proceed with the re marketing of Thameside House offering the unencumbered freehold.
<b>Reason for Recommendation</b>	The disposal in the above manner will maximise the ability of gaining the highest and best value for the property and contribute towards the financial resilience of the Council, by generating a capital receipt. The Council has a statutory obligation to achieve best consideration from its land and property disposals. Additionally, the holding and finance costs need to be extinguished, running at £73,000 per month.

## 1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>The property has been marketed twice in the last 6 months on a long leasehold and freehold basis and clarity is required on marketing and whether this will be unencumbered or where the height/mass will be restricted.</li> <li>The Council's recently adopted Development Delivery Strategy makes provision for progression of the development of specified sites via partnership working which may take the form of a disposal or joint venture style agreements.</li> </ul>	<ul style="list-style-type: none"> <li>Thameside House has recently been marketed receiving the offers in Appendix 1, but a freehold unencumbered disposal may increase the best offer/deliverability. We need the committee to agree a marketing approach which is then adhered to when evaluating offers in order to not lose credibility in the market.</li> <li>The Council has statutory obligations to achieve best consideration in relation to its land and property disposals and this directs the Council to focus on financial resilience within its decision making, including disposing of assets, when possible, to relieve pressure on the annual revenue budget resultant from financing and holding costs from vacant sites.</li> <li>A disposal would bring to an end the holding costs for the site that the Council is incurring which from 2025-26 will be charged to the Revenue Budget</li> </ul>
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> <li>The committee is asked to guide the officers on the basis the property should be marketed on, i.e. restricted or unrestricted.</li> </ul>	<ul style="list-style-type: none"> <li>Market the property on the basis agreed at this committee.</li> <li>Permit a for-sale board to be put on the property.</li> <li>Subsequently bring a summary of the offers back to the Committee with a recommendation on which party to proceed with.</li> </ul>

## 2. Key issues

- 2.1 The disposal of Thameside House will enable the Council to obtain a capital receipt and where applicable offset purchase and other holding costs and potentially will enable the ending of the borrowing associated with the property. This will, longer term, relieve pressure on the Council's revenue budget. In the short-term the disposal may result in any costs that exceed the disposal prices being offset against Council reserves, with respect to accumulated capitalised financing costs up to the end of 2024-25.
- 2.2 A sale will progress the site prioritisation within the Development Delivery Strategy.
- 2.3 The property has been marketed twice in the last 6 months and for market credibility we need to ensure the next marketing exercise brings the disposal to a conclusion. If the site is subsequently marketed for a 4<sup>th</sup> time this will impact the ability to achieve the best price as parties will lose confidence in our willingness to sell and so will not invest time in bidding preventing us from progressing a disposal and meeting our corporate objectives.
- 2.4 A disposal of the site with restrictions limiting the height of any redevelopment, while providing more control of the end development, is likely to reduce interest and the level of offers and therefore not deliver best value.
- 2.5 Conversely, marketing the site on an unencumbered basis, without restriction, is likely to generate a higher capital receipt, particularly where several parties are competing to acquire the property at a best bids stage. Therefore a 'restricted' disposal may result in sale at an undervalue and the market needs to be tested fully to assess whether this will be the case.
- 2.6 Holding costs for Thameside House in respect of business rates and security costs are c. £55,000 per month (£660k pa) and financing costs c. £216,000 pa and a disposal would stop this drain on Council finances. In addition, due to the previous marketing and offers received the agents were paid an interim fee of £22,455, in December and while this will be deducted from the final fee, if sold to a party who made any previous offer, it would have been more appropriate to pay a fee on exchange of a sale. This cost was incurred to keep the agent on board, maintain consistency in the marketing and ensure the Council was not seen as wasting the time of agents.

### **3. Current position**

- 3.1 Marketing/disposal of Thameside House, on a long leasehold basis, was initially approved by the Council's Business Infrastructure and Growth Committee in June 2024.
- 3.2 More recently we obtained consent to market the site on a freehold basis with a summary of the offers from November and December 2024 in Appendix 1. The offers were based on a mixture of end uses but generally as a care home or residential, some being based on the ability to add a floor or two to the property. Most of the offers were between £3.1m and £5.75m with their proposals seen as deliverable. The highest offer of £11m was conditional on change of use and the developer entering into a lease with a care home operator making the timings of receiving the money and deliverability highly uncertain.

- 3.3 At the December Committee there was debate around the method of disposal and differing conclusions on the basis of the disposal, hence this report seeks clarification on the marketing approach to be adopted.
- 3.4 If the Committee decided that the property was to be disposed with a restriction on the height, then this can be undertaken in one of 2 ways:
- a) Selling the long leasehold, say 999-year lease, with a restrictive covenant.
  - b) Selling the freehold with a restriction on title. To be able to enforce this the Council may need to retain a meaningful amount of land around any proposed building. This would be difficult due to the configuration of the site and the Council would continue to have to maintain this land. Additionally, the new landowner could subsequently appeal to the Lands Tribunal to discharge the restriction or modify the covenant, reducing its enforceability in any event.

#### 4. Options

- 4.1 Option 1 – Proceed with the re marketing of Thameside House offering the unencumbered freehold. **This is the recommended option** as it protects the Council against any challenge of breaching statutory requirements to achieve best consideration from its land and property assets, meeting statutory best value requirements, removes any ongoing liability for the property and would generate the highest possible receipt in terms of offsetting the finance on the site.
- 4.2 Option 2 – Freehold sale limiting the height of the building. Height limit to be agreed.
- 4.3 Option 3 – Long leasehold, 999 years, limiting the height of the building. Height limit to be agreed

Options 2 and 3 are **not the recommended options** as it would require the Council to dispose of the land potentially for less than best consideration. For example, a purchasers financing costs may be higher on a long leasehold basis reducing the offer. However, there is a reduced chance of the site being called in by the SoS where the undervalue does not exceed £2m and the disposal helps the social, economic and environmental well-being of the area.

#### 5. Financial Implications

- 5.1 The financials for the site are summarised below:

Purchase Price (2018)	Discounted Loan Balance (27 February 2025)	Outstanding Loan Balance (27 February 2025)
£10,200,000	£5,863,836	£8,517,365

The discounted loan balance as above of £5.863m is the discounted rate that the loan may be settled at and this offer, whilst currently valid, is subject to daily change, if current Public Works Loans Board interest rates fall then the size of the discount will fall. The loan balance on 27 February 2025 of £8.517m is the amount the loan could be repurposed within the Council. When the property is sold, this will extinguish the Council's previous development proposals, with any accumulated losses being met by capital and/or revenue reserves. The Council cannot continue to incur these holding costs and needs to resolve the situation. The Chief Finance Officer strongly advises that the proposed approach is pursued. Reserves will address any surplus/deficit from the actual financial receipt of a sale once the cost the Council incurred, in respect of the site acquisition has been deducted.

- 5.3 It should be noted that it is anticipated that the Council will achieve higher capital receipts and reduce capital losses if disposals are made on an unencumbered basis.

## **6. Risk Management**

- 6.1 Future marketing, beyond this third time, will affect the number of interested parties as they will not want to spend time and invest resource in offering on the site. Agreement on the method of disposal will be key to ensuring the site can be sold without further delay.
- 6.2 A sale on a restricted basis risks the disposal being called in by the SoS. To ensure this does not happen a unrestricted disposal can be undertaken.
- 6.3 Once the Council disposes of its interest in the site it loses direct control of any future proposals by the owner of the building, but they will still need to accord with planning regulations, for example on flooding.
- 6.4 Any redevelopment under permitted development for residential will mean the developer will not have to provide any affordable housing.
- 6.5 All reasonable due diligence will be undertaken on the preferred bidder, i.e. to check funding availability as well as other regular financial checks. However, until contracts are exchanged, as with any disposal, the legal process proceeds at risk of an abortive completion.

## **7. Procurement comments**

- 7.1 As this is a disposal, there are no direct procurement implications, which typically relate to purchasing. However, by marketing the site the Council has ensured the property has been exposed to as many interested parties as possible to allow bids to be submitted.

## **8. Legal comments**

- 8.1 Further to sections 120-123 of the Local Government Act 1972, the Council has the powers to acquire and dispose of land for the purpose of any of its functions. Any disposal will need to satisfy the valuation requirements of section 123 of this Act, and disposal for less than best consideration reasonably obtainable will require consent of the Secretary of State.
- 8.2 Any disposal will be subject to the terms of the contract, transfer and any other necessary legal documentation. The Council's in house Legal Services will provide support and external legal advice will be obtained if required.

- 8.3 Any disposal must meet the requirements of Best Duty Value under the provisions of the Local Government Act 1999.
- 8.4 Failure to obtain best consideration from the proposed disposals may expose the Council to risk of legal challenge by way of a judicial review which will result in substantial legal costs and reputational damage.

## **9. Other considerations**

- 9.1 Meeting best value requirements and achieving the best consideration must be a key part of the Council's decision-making process.
- 9.2 We are currently awaiting to see what commentary the Best Value Inspection report makes with respect to the Council's approach to maximising capital receipts from disposal of asset holdings.
- 9.3 Planning Comments:

Thameside House (Local Plan Ref ST1/037) is allocated for "up to 140 residential units" within years 1 - 5 of the Local Plan period (our five-year housing land supply figure is very marginally over the required 5 years). The 'up to' was put forward as a proposed Main Modification prior to Examination.

To satisfy EA concerns, a proposed Main Modification has been put forward which in states that the built footprint within flood zone 3a (1% AEP) should not exceed the existing building (and where possible reduced), and that the site needs to be designed to a safe route for access and egress during a flood event.

A further proposed Main Modification to this (and other site allocations) states a detailed design of the site should be developed in collaboration between the applicant and LPA and that the use of a Design Review Panel will be encouraged where it is considered that it can positively shape development.

Any development will also need to comply with the Staines policy SP2 and all other relevant planning policies. A use other than residential will need to be justified in planning terms.

The Examination closed on 18 February 2025. Adoption of the Local Plan by Council could be in September 2025 (subject to the plan being found sound by the Inspector and public consultation undertaken on the Main Modifications).

Any development will need to comply with the Spelthorne Design Code once it is adopted, which is currently anticipated for Autumn 2025.

## **10 Equality and Diversity**

- 10.1 There are no direct equality issues arising from a property disposal.

## **11 Sustainability/Climate Change Implications**

- 11.1 Requirements relating to the sustainability of any development will be a developer responsibility.

## **12 Timetable for implementation**

12.1 If the recommendation is approved the site will be remarketed with offers being brought back to committee together with full council signing off the approved purchaser/terms.

### **13 Contact**

16.1 Bruce Strong, Asset Manager, b.strong@spelthorne.gov.uk.

**Background papers:** Appendix 1: Schedule of Offers

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank