

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE OVERVIEW AND SCRUTINY BOARD

3RD DECEMBER 2014 AT 4.30 P.M.

PRESENT: Councillors L. C. R. Mallett (Chairman), C. J. Bloore, P. Lammas, C. R. Scurrall (Substitute), R. J. Shannon, S. P. Shannon, C. J. Spencer and C. J. Tidmarsh

Observers: Councillors M. Sherrey, R. Dent and M. Webb

Invitees: Mr J. Dillon

Officers: Mr. K. Dicks, Ms. J. Pickering, Mr. R. Savory, Mr M. Ashcroft and Ms. A. Scarce

78/14 **APOLOGIES**

Apologies for absence were received from Councillors R. Clarke, S. R. Colella, B. Cooper, H. Jones and R. Laight. Councillor C. Scurrall confirmed he was attending as a substitute for Councillor H. Jones.

It was noted that Councillors R. Shannon and C. Bloore would be late due to work commitments and some Members questioned why the meeting had been arranged at such short notice and at an earlier than usual time. Whilst acknowledging that this was not convenient, Members were reminded that this had been discussed at the previous Overview and Scrutiny Board meeting. To enable any views reached by the Board to be fed into the Cabinet decision to be made later the same evening, there had been no alternative available date.

79/14 **DECLARATIONS OF INTEREST AND WHIPPING ARRANGEMENTS**

There were no declarations of interest.

80/14 **HANOVER STREET SITE REMARKETING REPORT**

Prior to consideration of this matter it was explained that depending upon the contents of Members' discussion some aspects of this item may need to be considered as an "exempt" matter in private session.

The Chairman introduced Mr. J. Dillion, Chartered Surveyor, from GJS Dillon Commercial Property Consultants who had been marketing the site since 2012.

The Executive Director, Finance and Resources introduced the report and in so doing highlighted why the site should be re-marketed and the additional cost to the Council of this exercise, with brief details of why this had to be carried out. The additional costs would be minimal, bearing in mind the Council's responsibility for the public purse, and would include an up to date valuation from the District Valuer. Extensive preparatory work in relation to the legal aspects of the disposal of the site had already been completed and this work would assist in helping the legal transaction move forward quickly following the re-marketing. Details of the re-marketing exercise were also provided and the recommendations which would be considered by Cabinet at its meeting later this evening. The purpose of this evening's Board meeting was for Members to have the opportunity to pre-scrutinise the reports and put forward their views and recommendations as appropriate.

During discussions Members raised the following points to which Officers responded:

- The reasons why Opus had withdrawn from the site. Members were advised that the Commercial Property Consultants had tried unsuccessfully for Opus to continue with the development.
- The viability of the site to other developers (following the withdrawal of Opus). Mr. Dillon responded by informing Members that the market had significantly moved on and there were already a number of parties that had come forward, with a variety of occupants, including some of the original outlets suggested.
- That there had not been a reserved bidder, following the first marketing exercise, the Council had been dealing on with Opus..
- It was understood that the area concerned was or had been a conservation area and Members raised the point as to whether this still remained the case and if so, whether this would be taken into account by prospective developers. Members were informed that the area was on the border of the conservation area and in respect of design of the buildings, this would be something which Planning would consider.
- Whilst a cinema was key, and the one in question continued to be interested in Bromsgrove, Mr. Dillon confirmed that it would be market led and currently the market was showing that there was capacity for such a venue.
- The merits of the inclusion of some sort of "financial lock in" were debated in view of the expense to the Council of the re-marketing exercise.
- The need for any further restaurant chains within the Town Centre and the option of encouraging local businesses to grow. Again, it was suggested that currently the market was showing that there was capacity for such facilities, dependant upon the mix of outlets provided at the site.
- The option for the George House site to be a mix of retail and residential properties. Officers advised that the Council was not in a position to be prescriptive about what was built on the site other than to make reference to the Area Action Plan.

- Work required in respect of the Spadesbourne Brook, which was also detailed in the Area Action Plan and whether this could be included in some way. Officers advised that this was a difficult area as if the Council became prescriptive in the work which needed carrying out it could trigger the need to carry out a formal procurement exercise as opposed to the current proposal of offering the site for sale.

It was reiterated that, whilst taking on board the points raised by Members if the Council were to become too prescriptive in its requirements it could deter prospective developers.

RECOMMENDED that at the conclusion of the marketing exercise, when scoring the bids received, the scoring matrix should allow for due regard to be given to the proposals in respect of the Spadesbourne Brook as referred to in the Area Action Plan for the Town Centre.

RESOLVED that the update report re disposal of Council held assets at Hanover Street Car Park and George House be noted.

(During consideration of this item Members discussed matters that necessitated the disclosure of exempt information. It was therefore agreed to exclude the press and public prior to any debate on the grounds that information would be revealed relating to financial and business affairs. However, there is nothing exempt in this record of the proceedings.)

81/14

DISPOSAL OF STOURBRIDGE ROAD SITE REPORT

Prior to the consideration of this matter it was explained that dependent upon the content of Members' discussion some aspects of this item may need to be considered as an "exempt" item in private session.

The Executive Director, Finance and Resources introduced the report and informed Members that a marketing exercise in respect of the Stourbridge Road Car Park site had been carried out in 2012 following which a number of expressions of interest had been received. Six were asked to present their proposals for the site and development plans to a selection panel and details of the scoring matrix and score card were provided for Members consideration. There had been 2 rounds of presentations and whilst the Area Action Plan had identified the site to be office led this had not been the case with the proposals coming forward. The successful bidder had exceeded the expectations of the District Valuer.

During discussions Members raised the following points:

- The option for the Council to purchase other surrounding land/property in order to increase the opportunity of the site. It was confirmed that approaches had been made to a number of surrounding property owners, but these had been unsuccessful.
- The viability of the use of compulsory purchase orders to purchase land/property.
- The loss of car parking spaces within the Town Centre.

- The effect on traffic management, including the reopening of the Strand and any contribution through Section 106 monies towards this. This would be picked up through the planning process.
- The suggested retailers that would be included on the site.
- The option to include a financial lock in, including the points for and against such a clause.
- The timescale for the work to commence on the site and steps put in place to protect the Council should the developer drop out at any stage. Taking into account the lessons learned from previous experiences Members were of the view that having an alternative option in case the preferred bidder dropped out would be advisable.

The Chairman thanked Officers and Mr. Dillon for their detailed and useful responses to the questions raised by the Board.

RECOMMENDED that consideration be given to the inclusion of a financial lock in and a strict timetable for the development of the site with specific timescales where necessary.

RESOLVED that the Disposal of Stourbridge Road Car Park Report be noted.

(During consideration of this item Members discussed matters that necessitated the disclosure of exempt information. It was therefore agreed to exclude the press and public prior to any debate on the grounds that information would be revealed relating to financial and business affairs. However, there is nothing exempt in this record of the proceedings.)

The meeting closed at 5.48 p.m.

Chairman