

Executive

Schedule of decisions

15 October 2015

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27 October 2015

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ITEM	RESPONSIBLE OFFICER
1. MINUTES RESOLVED that the minutes of the meeting held on 10 September 2015 be approved as a correct record and signed.	-
2. APOLOGIES FOR ABSENCE None.	-
3. DECLARATIONS OF INTEREST None.	-
4. MARKETFIELD WAY: CONSTRUCTION OF A MIXED USE DEVELOPMENT COMPRISING CINEMA, A1, A2 AND A3 RETAIL, TOGETHER WITH 153 RESIDENTIAL FLATS AND UNDERCROFT CAR PARKING RECOMMENDED that: (i) the Capital Programme be amended to resource the anticipated costs to Planning (completion of Stage 2), as set out in the exempt report in Part 2 of the Executive's agenda; (ii) the Scheme of Delegation be amended as follows: the S151 Officer be authorised to amend the Capital Programme to increase capital spend on a development scheme, subject to the following conditions: <ul style="list-style-type: none">• consultation with the Leader, Deputy Leader, Executive Member for Finance and Executive Member for Property & Regeneration;• the net impact of any development scheme cost (compared to the estimated income) is neutral or	HEAD OF PROPERTY

- positive;
- a report being provided to the following Council meeting explaining the reason for the amendment; and
- the increase in capital spend does not exceed 10% of the development scheme value approved within the capital programme.

RESOLVED that:

- (i) the completion of Stage 1 of the Marketfield Way project and the confirmation of the scheme's viability be noted;
- (ii) the Head of Property be authorised to progress Stage 2 of the Marketfield Way project, in accordance with the strategy set out in the Executive report dated 26 February 2015; and
- (iii) the Marketfield Way project be progressed in accordance with the updated financial parameters set out in the exempt report in Part 2 of the Executive's agenda.

Reasons for decision:

To progress the Marketfield Way scheme to Stage 2 in conjunction with agreement for leases and leases with the tenants, culminating in the submission of the Planning Application.

With regard to recommendation (ii), current prevailing market conditions meant that it was not uncommon for both the costs and income associated with a property scheme to show an increase, with a net effect that was either neutral or beneficial to the developer. Where the Council was the developer, it could introduce delays and potentially lead to financial loss to seek Executive and Council approval to amend the Capital Programme in each of these situations.

Alternative options:

To not progress the development but seek a Funder to do so or do nothing.

5. **MARKETFIELD WAY, REDHILL: USE OF COMPULSORY PURCHASE POWERS TO ENABLE DEVELOPMENT**

HEAD OF PROPERTY

RESOLVED that:

- (i) the principle of the Council's willingness to use Compulsory Purchase Powers (CPO) under Section 226(1)(a) of the Town and Country Planning Act 1990 (as amended) to acquire or appropriate third party land and buildings for planning purposes, shown edged red on the plan in Annex 1 of the Executive's report and such other incidental and adjoining interests in land which would facilitate and enable viable and deliverable development in connection with the creation of a mixed use development in order to improve the Borough's economic and social wellbeing, be approved;
- (ii) the Head of Property in consultation with the Executive Members for Finance and Property & Regeneration be authorised to undertake preparatory work for the making of

a compulsory purchase order as detailed in paragraph 13 of the Executive's report; and

- (iii) the use of CPO powers be subject to:
- the Council using reasonable endeavours to assemble the development site by agreement/private treaty;
 - the Council being satisfied that there is a viable business plan and funding strategy, together with a preliminary property cost estimate detailing the costs of making and confirming any CPO and/or appropriation; and
 - in the event the Council and its development partners are unable to assemble the development land by agreement/private treaty, that a further report be presented to the Executive seeking authority to make a full and unconditional Compulsory Purchase Order for the site and to acquire or appropriate the site for Planning purposes.

Reasons for decision:

To provide a mechanism to allow agreement to be reached with landowners to progress the proposed scheme at Marketfield Way, which was in multiple occupation and ownership. Otherwise a viable scheme of significant public benefit may be frustrated unless a capable authority, in this case the Borough Council, was able to compulsorily acquire all necessary interests in the site.

Both the Council's Corporate Plan and adopted Core Strategy recognise the importance of promoting the Borough as a place to do business and providing commercially and residentially attractive developments to deliver the regeneration and economic benefits for the Borough and its residents, through increased investment and the provision of jobs.

CPO would only be used where negotiated settlements could not be reached and meant that land ownership did not act as a barrier for development of schemes which were in the economic, environmental or social interests of the Borough.

Alternative option:

Do nothing and allow market forces alone to determine whether the land was developed in support of our local prosperity aspirations.

6. DEVELOPMENT OF EMPLOYMENT LAND IN HORLEY PROPOSAL TO ENTER INTO A JOINT VENTURE

HEAD OF PROPERTY

RECOMMENDED that the Head of Finance be authorised to make the necessary amendment to the Council's capital plan to fund stage 1 and stage 2 costs.

RESOLVED that:

- (i) the Head of Property be authorised, in consultation with the Leader of the Council, Deputy Leader of the Council, Executive Member for Finance and Executive Member for Property and Regeneration to finalise and agree terms and

enter into binding legal agreements with landowners to form Joint Venture Limited Liability Partnerships (LLP) or Companies (New Co) to bring forward for Planning and subsequently development the Employment land in Horley on the land as shown at Annex 1 to the Executive's report, and subject to the key stage sign off set out in the Executive's report;

- (ii) the Chief Executive and Head of Property be appointed the Council's representatives to the LLP/New Co, and in accordance with the delegations herein to give all necessary instructions to the LLP/New Co to progress development of the employment land, subject to key stage sign off set out in the Executive's report;
- (iii) the Head of Finance be authorised, in consultation with the Head of Property and the Leader of the Council, Deputy Leader of the Council, Executive Member for Finance and Executive Member for Property and Regeneration, to make the necessary arrangements to finance stage 1 and stage 2 costs, as set out in Annex 4 (in the Exempt part of the Executive's agenda), through the Limited Liability Partnership or Company, subject to suitable security arrangements being made within the LLP/Company for the funding, and subject to the key stage sign off set out in the Executive's report;
- (iv) the Head of Finance be authorised to provide management accounting services to the Joint Venture vehicle and to make suitable arrangements for statutory accounting and reporting requirements;
- (v) the Head of Property be authorised, as the Council appointed representative, in consultation with the Head of Finance, Leader of the Council, Deputy Leader of the Council, Executive Member for Finance and Executive Member for Property and Regeneration, to permit the LLP/New Co to make the necessary consultancy and contractor appointments to progress the project and submit a Planning Application, subject to the approved budget as set out in Annex 4 (in the Exempt part of the Executive's agenda);
- (vi) the Head of Property be authorised, as the Council's representative to the property vehicle, in consultation with the Leader of the Council, Deputy Leader of the Council, Executive Member for Finance and Executive Member for Property and Regeneration, to instruct the LLP/New Co to enter into necessary agreements with the Council and other public sector organisations to bring forward development on the Horley Employment Land;
- (vii) the Head of Property be authorised as the Council's representative to the property vehicle, in consultation with the Leader of the Council, Deputy Leader of the Council, Executive Member for Finance and Executive Member for Property and Regeneration, to instruct the LLP/New Co to negotiate, agree and enter into Agreement for Leases and Leases with commercial organisations for pre lets subject to

- the key stage sign off set out in the Executive's report;
- (viii) the Head of Property be authorised, as the Council's representative to the property vehicle, in consultation with the Leader of the Council, Deputy Leader of the Council, Executive Member for Finance and Executive Member for Property and Regeneration, to instruct the LLP/New Co to acquire land by Private Treaty. A list of site owners was set out at Annex 5 (in the Exempt part of the Executive's agenda), and is subject to key stage sign off set out in the Executive's report;
 - (ix) the Head of Property be authorised, as the Council's representative to the property vehicle, in consultation with the Leader of the Council, Deputy Leader of the Council, Executive Member for Finance and Executive Member for Property and Regeneration, to authorise the LLP/New Co to enter into an indemnity with the Council with regard to CPO costs incurred in land assembly for the development of the Employment Land in Horley;
 - (x) the Head of Property be authorised, as the Council's representative to the property vehicle, in consultation with the Leader of the Council, Deputy Leader of the Council, Executive Member for Finance and Executive Member for Property and Regeneration, to instruct the LLP/New Co to appoint the necessary Consultants and Contractors to prepare the necessary documentation to obtain competitive construction tenders, subject to key stage sign off set out in the Executive's report; and
 - (xi) the Head of Property be authorised, as the Council's representative to the property vehicle, in consultation with the Leader of the Council, Deputy Leader of the Council, Executive Member for Finance and Executive Member for Property and Regeneration, to instruct the LLP/New Co to agree and sign construction contracts subject to key stage sign off set out in the Executive's report.

Reasons for decision:

To progress the Council's Five Year Plan (2015-2020) that identified a number of objectives for the Council, including 'to create new jobs for our residents' benefit and to ensure there was a resilient, vibrant economy'. This would be achieved through a number of measures including promoting the Borough as a place to do business, securing resources to maintain and improve business related infrastructure, and working with partners and businesses to ensure that benefits of wider economic growth were enjoyed in the Borough.

In line with Policy CS5 of the Council's adopted Core Strategy (2014) which confirms that the Council would promote and support continued sustainable economic prosperity and regeneration in the Borough. This would include planning for a range of types and sizes of employment premises to cater for the needs of established, growing and start-up businesses; and ensuring sufficient flexibility to meet their changing needs and attract new

businesses.

Alternative option:

Do nothing and allow market forces alone to determine whether the land is developed in support of our local prosperity aspirations.

7. **USE OF COMPULSORY PURCHASE ORDER POWERS TO ENABLE DEVELOPMENT OF LAND TO THE SOUTH OF HORLEY**

HEAD OF PROPERTY

RESOLVED that:

- (i) the principle of the Council's willingness to use Compulsory Purchase Powers (CPO) under Section 226(1)(a) of the Town and Country Planning Act 1990 (as amended) to acquire or appropriate third party land and buildings for planning purposes, shown edged red on the plan in Annex 1 of the Executive's report and such other incidental and adjoining interests in land which would facilitate and enable viable and deliverable development in connection with the creation of employment opportunities in the South of the Borough in order to improve the Borough's economic and social wellbeing, be approved;
- (ii) the Head of Property, in consultation with the Executive Members for Finance and Property & Regeneration, be authorised to undertake preparatory work for the making of a Compulsory Purchase Order as detailed in paragraph 13 of the Executive's report;
- (iii) The use of CPO powers are subject to:
 - the Council and its development partners using reasonable endeavours to assemble the development site by agreement/private treaty;
 - the Council being satisfied that there was a viable business plan and funding strategy, together with where required a full and sufficiently detailed indemnity agreement and appropriate financial bond covering the costs of making and confirming any CPO and/or appropriation; and
 - in the event the Council and its development partners were unable to assemble the development land by agreement/private treaty, that a further report being presented to the Executive seeking authority to make a full and unconditional Compulsory Purchase Order for the site and to acquire or appropriate the site for Planning purposes.

Reasons for decision:

To provide a mechanism to allow agreement to be reached with landowners to progress the proposed scheme on development land to the south of Horley, which was in multiple occupation and ownership. Otherwise a viable scheme of significant public benefit may be frustrated unless a capable authority, in this case the Borough Council, was able to compulsorily acquire all necessary

interests in the site.

Both the Council's Corporate Plan and adopted Core Strategy recognise the importance of promoting the Borough as a place to do business and providing commercially attractive premises and business infrastructure to deliver economic benefits for the Borough and its residents, through increased investment and the provision of jobs.

CPO will only be used where negotiated settlements cannot be reached and means land ownership does not act as a barrier for development of schemes which were in the economic, environmental or social interests of the Borough.

Alternative option:

Do nothing and allow market forces alone to determine whether the land was developed in support of our local prosperity aspirations.

8. **LAVENDER SANDPIT, COCKSHOT HILL, REIGATE:
FEASIBILITY OF POTENTIAL RESIDENTIAL DEVELOPMENT
AND CREATION OF NATURE RESERVE**

HEAD OF PROPERTY

RECOMMENDED that the Capital programme be revised to provide the funding of up to £40,000 for the feasibility surveys.

RESOLVED that the Head of Property Services be authorised, in consultation with the Executive Member for Property and Regeneration, to make the necessary consultant appointments to carry out feasibility studies, not exceeding the budget of £40,000, to assess the possibility of a small residential development on part of the site, with the creation of green open space on the remainder of the site.

Reasons for decision:

To undertake the feasibility studies to establish if it was possible to create a small residential development on the southern third of the site, which would unlock the potential of the entire site (currently disused, fenced off and subject to incursion).

The funds from the sale of any residential development would help finance a 10 year management plan to enhance the semi-natural habitats and the creation of footpaths and a nature reserve.

Alternative option: To take no action.

9. **STATEMENTS**

The Leader of the Council, Councillor V.W. Broad, informed the Executive that, following consultation with his fellow Executive Members, it was his intention to send a letter of support in favour of the Redhill and Reigate Rail Users Association's campaign to seek an extension of the operation of the Oyster Card scheme into the Reigate and Banstead area (including Epsom).

10. **ANY OTHER URGENT BUSINESS** -
None.
11. **EXEMPT BUSINESS** -
RESOLVED that members of the Press and public be excluded from the meeting for the following items of business under Section 100A(4) of the Local Government Act 1972 on the grounds that:
- (i) it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act; and
 - (ii) the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
12. **MARKETFIELD WAY: CONSTRUCTION OF A MIXED USE DEVELOPMENT COMPRISING CINEMA, A1, A2 AND A3 RETAIL, TOGETHER WITH 153 RESIDENTIAL FLATS AND UNDERCROFT CAR PARKING** HEAD OF PROPERTY
RESOLVED that the exempt information relating to the proposed Marketfield Way development be noted.
13. **MARKETFIELD WAY, REDHILL: USE OF COMPULSORY PURCHASE POWERS TO ENABLE DEVELOPMENT** HEAD OF PROPERTY
RESOLVED that the exempt information relating to the possible use of Compulsory Purchase Powers at Marketfield Way be noted.
14. **DEVELOPMENT OF EMPLOYMENT LAND IN HORLEY** HEAD OF PROPERTY
RESOLVED that the exempt information relating to the possible development of Employment Land in Horley be noted.
15. **USE OF CPO TO SUPPORT DEVELOPMENT OF EMPLOYMENT LAND IN HORLEY** HEAD OF PROPERTY
RESOLVED that the exempt information relating to the possible use of Compulsory Purchase Powers for Employment Land in Horley be noted.

Meeting closed at 8.37 pm

Distribution (Electronically):

All Councillors (eMembers Room) and Management Team.