

REVOLVING INVESTMENT FUND COMMITTEE

20 December 2018

Present:- Councillor King (Chairman) Barlow, Cory

Substitutes: Councillor Bourne for Councillor T. Young

81. Minutes

RESOLVED that the minutes of the meeting held on 17 October 2018 be confirmed as a correct record.

82. Plot 600 Colchester Business Park – Disposal of Site

The Assistant Director, Policy and Corporate submitted a report a copy of which had been circulated to each Member.

Elizabeth Simpson, Head of Estates, Colchester Amphora Ltd, and Fiona Duhamel, Assistant Director, Colchester Commercial (Holdings) Ltd, presented the report to the Committee. It was explained that the site had been openly and widely marketed. Six expressions of interest had been received, leading to three formal bids. These had been assessed using a weighted scoring matrix and were scored against purchase price, site area required, conditions, suitability of proposed use and the bidders ability to perform. On the basis of the assessment officers were making a recommendation, the details of which were set out in Appendix on part B of the agenda.

In discussion members of the Committee sought reassurance that adequate parking facilities would be provided. It was explained that the recommended bid was conditional. One of the conditions would require the successful bidder to obtain planning permission and parking provision would be addressed as part of this process. Members also explored whether the business park would be connected to the ultra-fast broadband network. It was explained that a bid had been made to Department for Culture, Media and Sport for funding to extend the network to north Colchester. If successful it was hoped that the network would extend to the Business Park. However, the tenants could not be compelled to connect to the network.

The Committee welcomed the proposals set out in the Assistant Director's report. The bid assessment process was an effective and well established process in which members and the public could have confidence. It was noted that it was anticipated that the development would support 500 office based jobs, both existing and new. This was consistent with the wider policy for commercial sites in North Colchester, where office developments were

being sought in order to drive an uplift in wages, rather than warehouse developments, which needed large plots of land and created a smaller number of jobs. The interest in the site and number of bids received was indicative of the confidence the business community felt in Colchester as an office location.

RESOLVED that:-

- (a) The disposal of Plot 600, as identified on the site plan at Appendix A to the Assistant Director's report, be agreed.
- (b) The total capital receipt for this site be allocated into the Revolving Investment Fund (RIF).
- (c) Negotiations be entered into with the preferred bidders for Plot 600 as detailed in Appendix B on part B of the agenda.
- (d) If agreement is not reached with the preferred bidder for the site, authority be delegated to the Assistant Director, Policy and Corporate, in consultation with the Portfolio Holder for Resources to approach the under bidders to secure the best terms for disposal.
- (e) Authority be delegated to the Assistant Director, Policy and Corporate, in conjunction with the Portfolio Holder for Resources to negotiate the Heads of Terms and the conclusion of legal documentation for the sale of the site.

REASONS

To enter into negotiations with the preferred bidder for the site with the objective of disposing of them to secure capital receipts to support the Revolving Investment Fund (RIF) which recycles capital to fund regeneration projects and income producing investments.

ALTERNATIVE OPTIONS

The Council could keep hold of the land and retain it as a longer term asset to develop it itself in the future. However, the capital receipt has already been earmarked to support regeneration projects within the RIF.

The Council could seek to accept bids which were not conditional on planning or on any other factors. Whilst this may be suitable in order to dispose of the property quickly, it may not achieve the highest value and/or the best use of the site although it would remove some of the risks surrounding a conditional disposal.

The Committee resolved under Section 100A(4) of the Local Government Act 1972 and in accordance with the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 to exclude the public from the meeting for the following item as they involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

83. Minutes

RESOLVED that the not for publication extract from the minutes of the meeting held on 17 October 2018 be confirmed as a correct record.

The Committee resolved under Section 100A(4) of the Local Government Act 1972 and in accordance with the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 to exclude the public from the meeting for the following item as they involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

84. Plot 600, Colchester Business Park – Disposal of Site

This minute is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (information relating to the financial or business affairs of a particular person, including the authority holding the information).