

Cabinet Committee - Asset Disposals – Meeting held on Thursday, 17th October, 2024.

Present:- Councillors Smith (Chair), E. Ahmed, Bedi, Chahal and Manku

Apologies for Absence:- None.

PART 1

16. Declarations of Interest

No interests were declared.

17. Minutes of the Meeting held on 12th September 2024

Resolved – That the minutes of the meeting held on 12th September 2024 be approved as a correct record.

18. Langley Resource Centre, Spitfire Close, Slough SL3 8GY

The Cabinet Committee considered a report that recommended declaring Langley Resource Centre, Spitfire Close, Slough as surplus to requirements to all it to be marketed for sale.

The building had formerly been used as a day care facility but was an under-utilised asset and had remained closed since the Covid lockdowns in 2020. The site was approximately 0.2 acres. The last valuation completed at the end of 2023 provided a valuation of £300,000. The site was vacant and incurring costs.

Members asked whether any alternative uses had been considered for the site. In response, Officers highlighted that Council services had been asked about potential alternative uses and no operational need had been identified. Option A was to retain the property however the capital costs required to bring it back into use would outweigh the income generated and there was no evidence that it could achieve sufficient rental income from a third party to justify retention. The option was therefore not recommended.

In view of the fact that the site had been vacant for four years, no operational need had been identified for the site and it would not be cost effective to bring it back into use to rent to a third party, the Committee agreed the recommendation to declare the asset as surplus to seek to achieve a capital receipt and reduce borrowing costs.

Resolved – That Langley Resource Centre, Spitfire Close, Slough be declared as surplus.

19. Disposal of Slough County Court, Chalvey Park, Slough

The Cabinet Committee considered a report that sought agreement to recommend to Cabinet the disposal of Slough County Court, Chalvey Park, Slough and approval to market the asset for disposal under the Council's Asset Disposal Strategy.

The site had been declared surplus by the Council in 2022 and the proposal was to dispose of the site via auction. The Part II Appendices were noted and considered during Part I of the meeting without disclosing any of the exempt information.

A summary of the site and background was set out by the Director of Property and Assets. Discussions had taken place with the Ministry of Justice and they were therefore aware of the Council's plans for the freehold of the site. The current tenant had recently extended their lease for a five-year term. One of the options was to retain the property. However, whilst it would retain the income stream of £107,750 per annum, the costs of servicing the Council's debt outweighed the income generated hence this option was not recommended.

Sale via auction would provide the greatest financial benefit to the Council. If the reserve price was not met the asset would not be disposed of. Members discussed any potential impacts on neighbouring properties including the Magistrates Court and Slough Police Station and it was noted there would be communication with them to inform them of the intended process.

The proposed disposal had been subject to a due diligence process and Asset Appraisal and Disposal Framework calculation which would offer the best opportunity to realise the disposal of the asset in accordance with section 123 of the Local Government Act 1972.

At the conclusion of the discussion the Committee agreed to recommend disposal to Cabinet.

Recommended to Cabinet –

- (a) That the marketing and disposal of the asset referred to in Appendix A known as Slough County Court, Chalvey Park, Slough by way of auction as recommended within the report in Appendix A be agreed.
- (b) That the Reserve Price be in-line with the Red Book Valuation and include a 10% adjustment to the price, upwards and downwards. (within Appendix C to the report).

20. Disposal of the Council's land at the Haymill site (land off Littlebrook Avenue, Slough)

The Cabinet Committee considered a report that sought approval for a set of recommendations to Cabinet associated with the disposal of the Council's

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land at the Haymill site: land off Littlebrook Avenue, Slough, SL1 6LZ.

Members noted and considered the Part II appendices without disclosing any of the exempt information during Part I of the meeting.

The Council had originally intended to develop the Haymill site within the Slough Urban Renewal (SUR) partnership. Following the issuing of a Section 114 Notice in July 2021 the Council's capital programme was paused, including capital commitments to sites that had been opted to SUR.

The disposal was in accordance with the strategy for SUR sites agreed by Cabinet in September 2023 and approval of the recommendations would contribute to a reduction in the Council's future financial commitments, generate a disposal receipt at the earliest opportunity and reduce Council borrowing requirements. It would also contribute to the Council's aim of simplifying and reducing its land portfolio holding and make progress towards winding up SUR to enable the Council to focus on core activities and services.

The proposed sale had been subject to a due diligence process and reflected best consideration reasonably obtainable for the disposal of assets in accordance with section 123 of the Local Government Act 1972, and as verified by an independent valuation report prepared by Haslams professional surveyors.

Members discussed the options set out in the report and agreed the recommended Option D to dispose of the site, utilising the SUR on-site sale mechanism, to produce a capital receipt in 2024 and reduce debt costs. Specific questions about the site and the arrangements with SUR were asked and Officers responded to the points raised. The Committee then agreed to recommend Option D – dispose of the site now - to Cabinet.

Recommended to Cabinet –

- (a) That the Draft Formal Site Development Plan at Appendix 1 to the report be approved and to agree the disposal of the Haymill site in accordance with the Sale Heads of Terms at Appendix 4 of the report.
- (b) That delegated authority be given to the Executive Director of Regeneration, Housing and Environment, in consultation with the Lead Member for Financial Oversight and Council Assets and the Executive Director of Finance and Commercial to (i) approve the final form of the Draft Formal Site Development Plan that is presented to the SUR Business Board; and (ii) to approve the final terms of the documentation required to give effect to the Draft Formal Site Development Plan (iii) approve any amendments required to any boundary structure, fence line or footprint including the granting or reserving of any rights required to facilitate the expansion of the adjoining Haybrook College.

21. Exclusion of Press and Public

Resolved – That the matters in Part II of the agenda be considered and resolved during Part I, without disclosing any of the exempt information, but that the Part II reports remain restricted as they involved the likely disclosure of exempt information relating to the financial and business affairs of any particular person (including the authority holding that information) as defined in Paragraph 3 of Part 1 the Schedule 12A the Local Government Act 1972.

The following is a summary of the matters considered during Part II of the agenda:

22. Disposal of Slough County Court, Chalvey Park, Slough - Appendices

Resolved – That the Part II appendices be noted.

23. Disposal of the Council's land at the Haymill site (land off Littlebrook Avenue, Slough) - Appendices

Resolved – That the Part II appendices be noted.

Chair

(Note: The Meeting opened at 4.30 pm and closed at 5.18 pm)