

Cabinet Meeting Resolution

**Executive
Forward Plan
Reference**

E3293

Commercial Estate review update

Date of Meeting	20-Jul-21
The Issue	The report is an update on the Commercial Estate review with the actions required to take forward the strategic management of the estate and income budgets.
The decision	<p>RESOLVED (unanimously) that the Cabinet agreed to:</p> <ol style="list-style-type: none"> 1. Note the findings and the executive summary from the Commercial Estate review. 2. Approve the Commercial Estate review plan, workstreams and governance arrangements and delegate to the Property Review Board / S151 Officer, responsibility for implementing the governance arrangements and required restructuring, respectively. 3. Approve the Capital budget of £2.337m for Commercial Estate Refurbishment Programme, utilising funding as described in section 5.2. 4. Approve the creation of a capital reserve to be funded from dilapidation and insurance income relating to capital refurbishments. 5. Approve the approach to Commercial Estate repurposing to residential accommodation using the Council's housing company Aequus, with delegation for transfer arrangements given to the Chief Financial Officer (S151) in consultation with the Cabinet Member for Resources and Economic Development.
Rationale for decision	<p>The report provides an update to the Cabinet on the outcome of the Commercial Estate review carried out by Montague Evans during the final quarter of the 2020/21 financial year and sets out the next steps in managing the Councils commercial assets.</p> <p>The report refers to the current position of empty commercial units (voids) and the proposal to invest in these assets to address maintenance issues enabling marketing for new lettings and also consideration for repurposing to a changing in use to diversify the income generating potential.</p> <p>The report also refers to the devastating impact Covid has had on the visitor economy and on the Council's commercial estate retail properties. This impact has in turn affected the Council's finances. The Council must therefore consider alternative sources of revenue generation from empty commercial properties through identifying alternative use through repurposing.</p>
Other options considered	<p>Other options considered include do nothing which is not considered a viable option as under the Councils Policy and Budget Framework income to support the wider operating costs and delivery of Council services needs to be managed responsibly and appropriately.</p> <p>For assets being considered for repurposing alternative options will be presented through the business case approval process to ensure the best</p>

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	course of action is agreed.
The Decision is subject to Call-In within 5 working days of publication of the decision	

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FIELD_TITLE

Date of Meeting	FIELD_DATE_MADE
The Issue	FIELD_ISSUE_SUMMARY
The decision	FIELD_DECISION_SUMMARY
Rationale for decision	FIELD_DECISION_REASON
Other options considered	FIELD_DECISION_OPTIONS
The Decision is subject to Call-In within 5 working days of publication of the decision	