

Corporate Policy Development and Scrutiny Panel

Date: Tuesday, 11th July, 2023

Time: 4.00 pm

Venue: Council Chamber - Guildhall, Bath

Councillors: Robin Moss, Lucy Hodge, Ian Halsall, Oli Henman, Hal MacFie,
Onkar Saini, Toby Simon, Malcolm Treby and Colin Blackburn



Michaela Gay

Democratic Services

Lewis House, Manvers Street, Bath, BA1 1JG

Telephone: michaela_gay@bathnes.gov.uk, 01225 394411

Web-site - <http://www.bathnes.gov.uk>

E-mail: Democratic_Services@bathnes.gov.uk

NOTES:

1. **Inspection of Papers:** Papers are available for inspection as follows:

Council's website: <https://democracy.bathnes.gov.uk/ieDocHome.aspx?bcr=1>

2. **Details of decisions taken at this meeting** can be found in the minutes which will be circulated with the agenda for the next meeting. In the meantime, details can be obtained by contacting as above.

3. **Recording at Meetings:-**

The Openness of Local Government Bodies Regulations 2014 now allows filming and recording by anyone attending a meeting. This is not within the Council's control.

Some of our meetings are webcast. At the start of the meeting, the Chair will confirm if all or part of the meeting is to be filmed. If you would prefer not to be filmed for the webcast, please make yourself known to the camera operators.

To comply with the Data Protection Act 1998, we require the consent of parents or guardians before filming children or young people. For more information, please speak to the camera operator.

The Council will broadcast the images and sound live via the internet www.bathnes.gov.uk/webcast An archived recording of the proceedings will also be available for viewing after the meeting. The Council may also use the images/sound recordings on its social media site or share with other organisations, such as broadcasters.

4. **Public Speaking at Meetings**

The Council has a scheme to encourage the public to make their views known at meetings. They may make a statement relevant to what the meeting has power to do. They may also present a petition or a deputation on behalf of a group.

Advance notice is required not less than two full working days before the meeting. This means that for meetings held on Thursdays notice must be received in Democratic Services by 5.00pm the previous Monday.

Further details of the scheme can be found at:

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=12942>

5. **Emergency Evacuation Procedure**

When the continuous alarm sounds, you must evacuate the building by one of the designated exits and proceed to the named assembly point. The designated exits are signposted. Arrangements are in place for the safe evacuation of disabled people.

6. **Supplementary information for meetings**

Additional information and Protocols and procedures relating to meetings

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13505>

Corporate Policy Development and Scrutiny Panel - Tuesday, 11th July, 2023

at 4.00 pm in the Council Chamber - Guildhall, Bath

A G E N D A

1. WELCOME AND INTRODUCTIONS
2. EMERGENCY EVACUATION PROCEDURE

The Chair will draw attention to the emergency evacuation procedure as set out under Note 6.

3. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS
4. DECLARATIONS OF INTEREST

At this point in the meeting declarations of interest are received from Members in any of the agenda items under consideration at the meeting. Members are asked to indicate:

- (a) The agenda item number in which they have an interest to declare.
- (b) The nature of their interest.
- (c) Whether their interest is **a disclosable pecuniary interest** or **an other interest**, (as defined in Part 4.4 Appendix B of the Code of Conduct and Rules for Registration of Interests)

Any Member who needs to clarify any matters relating to the declaration of interests is recommended to seek advice from the Council's Monitoring Officer or a member of his staff before the meeting to expedite dealing with the item during the meeting.

5. TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN
6. MINUTES (Pages 7 - 18)

For the Panel to confirm the Minutes of the previous meetings:
13th March 2023
3rd April 2023

7. ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING
8. CALL IN - E3453 ENTRY HILL DEPOT SITE (Pages 19 - 50)

A report is attached on 'Call-in of decision E3453 – Entry Hill Depot Site, Entry Hill, Bath BA2 5NA – Recommendation for Disposal'

9. CORPORATE STRATEGY (Pages 51 - 56)

The covering report on the draft Corporate Strategy 2023-2027 is attached, the draft Corporate Strategy will be available for the Panel to see from Wednesday 5th July,

when the Cabinet agenda is published.

10. CABINET MEMBER UPDATE

Update from Cabinet Member/s if there is anything to add.

11. PANEL WORKPLAN (Pages 57 - 58)

This report presents the latest workplan for the Panel. Any suggestions for further items or amendments to the current programme will be logged and scheduled in consultation with the Panel's Chair and supporting officers.

The Committee Administrator for this meeting is Michaela Gay who can be contacted on michaela_gay@bathnes.gov.uk, 01225 394411.

BATH AND NORTH EAST SOMERSET

MINUTES OF CORPORATE POLICY DEVELOPMENT AND SCRUTINY PANEL MEETING

Monday, 3rd April, 2023

Present:- **Councillors** Karen Warrington, Winston Duguid, Mark Elliott, Lucy Hodge, Karen Walker (in place of Shaun Hughes), Hal MacFie, Alastair Singleton, Sally Davis and Matt McCabe (in place of Andrew Furse)

Apologies for absence: Councillors:

67 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting.

68 EMERGENCY EVACUATION PROCEDURE

The Chair drew attention to the emergency evacuation procedure.

69 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Councillor Hughes sent his apologies and was substituted by Councillor Walker

Councillor Furse sent his apologies and was substituted by Councillor McCabe

70 DECLARATIONS OF INTEREST

There were none.

71 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN

There was none.

72 ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

Councillor Shaun Hughes declared an interest as Councillor for the ward and a tenant in the Wansdyke Business Centre . Councillor Hughes made a statement (the statement is attached to these minutes)

Panel questions:

Councillor Duguid asked if the centre needed investment. Councillor Hughes stated that it is fully functional as it is, the accommodation is adequate for the price range.

Councillor Walker asked about buying the lease. Councillor Hughes explained that he had had conversations but nobody had explained.

Councillor Hodge asked why there were only 2 tenants. Councillor Hughes explained that occupancy was high (80%) before the Council took over. There were options to leave but no options to move in.

Councillor Singleton asked if other businesses had found office accommodation elsewhere. Councillor Hughes stated that one moved locally, on to Frome and one to Bristol. He stated that industrial units are very popular.

Councillor Elliott asked if Councillor Hughes thought the Council should subsidise the office space. Councillor Hughes explained that there had been no conversation with tenants about an acceptable level of rent and it was impossible to understand if a subsidy was required.

Councillor McCabe asked if 80% occupancy was achievable. Councillor Hughes stated that it was, he gave the example of Paulton House which has a waiting list. He stated that the SVEZ (Somerset Valley Enterprise Zone) was planned which would not make sense if there wasn't a demand in the area.

Councillor Davis stated that Paulton House appears up market as there are more businesses in there. Councillor Hughes stated that it is successful and has a high demand and revenue stream that allows development.

Councillor MacFie asked about the windows in the Wansdyke Centre. Councillor Hughes explained that the upstairs section had been open plan and has now been made into offices, the middle offices do not have windows – this can be used for storage.

Councillor Eleanor Jackson made a statement regarding Wansdyke Business Centre (the statement is attached to the minutes)

Panel questions

Councillor Warrington asked if the business centre is sustainable regarding travel. Councillor Jackson stated that it is. She explained that the building needed a survey regarding insulation etc.

Councillor McCabe asked if any company could take over the building. Councillor Jackson stated that new business could be encouraged.

73 WANSDYKE BUSINESS CENTRE, MIDSOMER NORTON (WL)

Note: Councillor Hughes (attending as a ward Councillor and tenant of Wansdyke Business Centre to make a public statement) left the meeting on advice from the legal advisor.

Councillor Blackburn – Lead Call in Member

Councillor Blackburn made a statement explaining the reasons for the call in (a copy is attached to these minutes)

Panel members asked the following questions and raised the following points:

In response to a question from Councillor Singleton, Councillor Blackburn stated that he has tried to identify companies who have shown an interest in the building, he added that the Council website states that the building is 'temporary closed'.

Councillor Duguid asked if the building would need to be refurbished. Councillor Blackburn stated that he had visited one office and in his view, it was comparable to similar office space around the country and he genuinely believes there are people who would want to rent there.

Councillor Warrington asked that, if kept as it is with the same charges, would there be a saving for the Council. Councillor Blackburn stated that he had not seen the figures and that this has not been explored as there was not scrutiny of the decision.

Councillor MacFie asked if option 3 is what is being asked for by the Call in members (to return the centre to the open market). Councillor Blackburn explained that someone could then turn it into industrial space so office space could be lost. He did not believe the best option is the return to the open market.

Councillor Elliott asked if there is market failure. Councillor Blackburn stated that he believes this business has been failed as there has been no attempt to engage with prospective tenants. It appears the Council want to run it down and pass it on.

Councillor Elliott asked about finding another operator. Councillor Blackburn stated that the Council have failed, it has slipped away under our management.

Councillor MacFie asked if we could pass it on but keep it as it is (office space). Councillor Blackburn stated that this was a nice idea but that decisions would be taken on data and facts but this could be a viable way of looking at it.

Councillor Davies – Cabinet Member for Council House Building (representing the Cabinet Member for Economic Development and Resources)

Councillor Davies made a statement regarding the decision.

Panel members asked the following questions and raised the following points:

Councillor McCabe referred to the accusation that the site had been managed down and asked if there was any data on approaches. The Cabinet Member stated that nobody has approached the Council. He further explained that the unit had always required a subsidy and that this was not due to the Council's management. He explained that the subsidy had been absolutely appropriate given the market circumstances at the time but not now.

Councillor Duguid stated that a point in the call in statement said that nobody was taken in, was this deliberate. The Cabinet Member explained that this was at a time when the leases were regularised and during that period, no new tenants were brought in. By the time the leases were regularised, the market had changed.

Councillor Walker referred to the Council helping tenants find alternative accommodation, she asked if this had been suitable to them. The Cabinet Member stated that conversations were ongoing with one client and the other had been resolved. Councillor Walker noted that one client had been offered shop space which was not suitable for the business needs.

Councillor MacFie stated that if the industrial option is taken, employment goes down. The Cabinet Member stated that his understanding was that the proposal to go to market is in part to get the best financial outcome.

Councillor Hodge asked what the average annual subsidy figure had been. The Cabinet Member explained that it had been £25k minimum. Responding to a query from Councillor McCabe, the Cabinet Member explained that this sum could be used to help businesses across BANES.

Councillor Warrington asked about the rate of occupancy. The Cabinet Member explained that, as tenant numbers fell, onsite staff were removed to manage the subsidy level.

Councillor Warrington referred to the economic and climate emergency impact on the community and asked about the research on this. The Cabinet Member explained that in his statement, he had said that economic and employment impacts could be improved.

Councillor Warrington asked if there was any data regarding where the tenants have moved. The Cabinet Member reported that, regarding the last 9 tenants to move out: 1 had gone to Paulton House; 1 to Bath, 2 now work from home, 2 to Frome and 1 to an undisclosed address.

Councillor McCabe asked that if the Council thought that there was under provision of office space in this area they would not be doing this. The Cabinet Member confirmed that all the evidence that the Council has shows that there is no market failure in this area and therefore the continued use of the subsidy is not appropriate.

In response to a query from Councillor Warrington, The Cabinet Member explained that the reports done in 2020 had been updated.

- In his closing statement, Councillor Davies explained that ultimately, the reason for recommending the centre closure is that there is no longer a market failure to justify public funds being used as a subsidy of £25k a year. Investment in the premises is not viable. Our recommendation is that the unit be put to the market for the market to determine its use.
- In his closing statement, Councillor Blackburn stated that a decision was taken in 2018 to take back the centre (from Business West) to run ourselves. The centre has been run down and opportunities not taken. We are selling the family silver. We do not have it on the table to make this an unsubsidised unit, I have not seen the exempt figures so cannot give alternatives.

Panel debate

Councillor MacFie stated that he did not disagree with Councillor Blackburn, he agreed that there should not be a subsidy so it is logical that we return it to the market. He stated that he supported dismissing the call in.

Councillor Elliott stated that the exempt document suggests that it is not possible to run the centre without subsidy. Anything other than option 3 requires spending money. I do not know if it is viable to find a management company to run the centre.

Councillor Sally Davis stated that it was too far down the line and this option should have been considered 2/3 years ago. It is too late for an alternative option.

Councillor Walker stated that industrial accommodation in a small business park was not right.

Following a motion from Councillor McCabe and seconded by Councillor Sally Davis, the Panel **RESOLVED**:

“that having been satisfied that the public interest would be better served by not disclosing relevant information, in accordance with the provisions of Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item(s) of business and the reporting of the meeting be prevented under Section 100A(5A) because of the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act, as amended.”

The Panel moved back into open session.

Following a motion from Councillor MacFie and seconded by Councillor McCabe:

It was **RESOLVED** to dismiss the call in
(6 for/0 against/3 abstentions)

The meeting ended at 5.50 pm

Chair(person)

Date Confirmed and Signed

Prepared by Democratic Services

This page is intentionally left blank

BATH AND NORTH EAST SOMERSET

MINUTES OF CORPORATE POLICY DEVELOPMENT AND SCRUTINY PANEL MEETING

Monday, 13th March, 2023

Present:- **Councillors** Karen Warrington, Winston Duguid, Mark Elliott, Andrew Furse, Lucy Hodge, Shaun Hughes, Hal MacFie, Alastair Singleton and Sally Davis

55 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting.

56 EMERGENCY EVACUATION PROCEDURE

The Chair drew attention to the emergency evacuation procedure.

57 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

There were none.

58 DECLARATIONS OF INTEREST

At item 9 'Invest in BANES' - Councillor Hughes declared an interest as a tenant in the office space in Midsomer Norton.

59 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN

There was none.

60 ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

Bob Goodman made a statement regarding his concerns on the development company and stated that he supported this service being an in-house service.

Councillor Warrington asked if he had details regarding issues at Sladebrook properties. Mr Goodman stated that he had information that there had been concerns about the ventilation systems.

61 MINUTES

The Panel confirmed the minutes of the previous meetings as a true record and they were duly signed by the Chair.

62 ECONOMIC STRATEGY

The Chair invited Jackie Clayton to introduce the report and to give a presentation. The presentation covered the following:

- Economic Strategy Update
- Background and purpose
- Strategic context
- Economic Strategy Development Process
- The local economy
- A story of success
- A recovering economy post-Covid
- A tale of a two tier economy
- Evidence highlights future challenges we need to address
- Draft strategic framework
- Forward timeline - indicative

Panel members asked the following questions and raised the following points:

Councillor Singleton asked for the definition of 'micro business' and asked about 'sustainable aviation'. The officer explained that a 'microbusiness' has under 4 employees (later clarified as under 9 employees). She explained that sustainable aviation is a recognition of sectors that are already present and a question for the future as to what we want to encourage.

Councillor Furse noted the rise in jobs in education and health and asked about these jobs in terms of income as if the jobs are of lower income this can lead to workers having to live outside of the city and travel in. He also made reference to the two wards identified in terms of deprivation – he pointed out that there are pockets of deprivation in other wards that are worse than the two referred to but are not flagged up. We need to target smaller enclaves of deprivation. The officer stated that we need to attract people to do the jobs that need doing while balancing affordable housing and transport concerns.

Councillor MacFie referenced BANES being number one regarding microbusinesses. He asked how accommodation would be needed and referenced the lack of available commercial space in Keynsham and Bath. He asked about the term 'good work'. The officer explained that this meant a job that pays enough to live well where there is potential for training/upskilling.

Councillor Hughes stated that Midsomer Norton residents concerns are that there is one strategy for two vastly different areas (Bath and NES). He asked if the strategy focused more on the needs of Bath. He stated that the affordable housing level is not met in Bath. He stated that we are moving people on poorer incomes out of Bath who need to then commute back in to the city. He pointed to the extra security measures for the city centre of contrasted this with the lack of street marshals in Midsomer Norton. The officer agreed that it was important not to have a one size fits all strategy. The Cabinet Member for Economic Development, Regeneration and Growth, Councillor Roper, stated that he had been at a meeting with businesses from Midsomer Norton and Radstock and that many had stated that they felt left out.

Those Bath based businesses reported a lack of networking since Covid. He stated that there was a need to improve contact with businesses.

Councillor Duguid stated that housing affordability is an issue regarding people commuting into the city. The officer stated that this was a challenge and could be picked up by the local plan process.

Councillor Warrington stated that Midsomer Norton is different from Bath. She stated that her ward is rural with a lot of agriculture yet is an expensive area to live. She explained that modern company's have wanted to move into rural areas but could not due to rural broadband issues.

The Chair thanked the officers.

63 INVEST IN BATH AND NORTH EAST SOMERSET

The Chair invited Claire Lynch, Business and Skills Manager, Rob Dawson, Principle Enterprise Officer and Simon Martin, Director of Regeneration and Housing to introduce the item and give a presentation. The presentation covered the following:

- Invest in BANES – Service Update
- Service Overview – Business and Skills Team
- Invest in BANES website
- Invest in BANES Communications and Marketing

Panel members asked the following questions and raised the following points:

Councillor MacFie stated that he had been critical when this was 'Invest in Bath' but is now impressed and will look at the website. The officer stated that the trial site could be shared and feedback would be appreciated.

Councillor Hughes stated that businesses were being evicted from the office space in Midsomer Norton which is being closed. He added that a lot of businesses move out of BANES to find office space. This is a bigger issue than a website. The officer stated that the aim is the make the website/service more accessible for different locations. He added that there will be a review and an assessment of the demand for officer and industrial space. He mentioned the Somer Valley Enterprise Zone (SVEZ) plans.

Councillor Hughes acknowledged the SVEZ plans but stated that this facility was 10 years down the line and we need to respond to business needs now. The officer stated that the Council has limited budget and the limited business space is a matter to address in the strategy and the local plan. He stated that the Council can orchestrate events and signpost.

Councillor Hodge asked if the original website would be kept so that no information is lost. She also asked the 'contacts' be prominent on the new website. The officer stated that some of the text from the old website would be trimmed so as not to duplicate information with the main Council website and also to cut large bodies of

text. The original website will be kept for a year. He confirmed that ‘contacts’ would be shown at the top.

Responding to an observation from Councillor Furse, Councillor Hughes declared an interest as a tenant in the office space in Midsomer Norton.

The Chair thanked the officers.

64 AEQUUS UPDATE

The Chair invited Simon Martin, Director of Regeneration and Housing, and Tim Richens, Managing Director Aequus Group to introduce the report.

Panel members asked the following questions and raised the following points:

Councillor Duguid asked if payments to the Council are actually a payback of loans made by the Council in the past. The officer (Aequus) stated that the £1m paid to the Council is made up of commercial interest returns topped up with dividends. The profile changes year on year.

Councillor Duguid asked if overheads are being increased to cover activity in South Gloucestershire. The officer (Aequus) stated that costs are covered by South Gloucestershire.

Councillor Duguid noted that South Gloucestershire is gaining ground as part of the portfolio and asked about North Somerset. The officer (Aequus) stated that North Somerset are doing some internal evaluation.

In response to a query regarding costs and overages, the officer (Aequus) explained that South Gloucestershire sell a site to Aequus on agreed land value, Aequus deliver the site. The profit is agreed with the shareholder and if there is overage, it is shared between Aequus and South Gloucestershire.

Councillor Hodge asked if a fixed return is appropriate. The officer (Aequus) explained that the return can be agreed with the shareholder in larger sites. He further explained that delivery models are being considered that maximize returns to the Council. The officer (BANES) stated that a pipeline tracker is used which sets out sites. The £1m payment per year to the Council is reassessed regarding the availability of sites. The £1m is not static and will be reviewed.

Councillor Hodge asked about discounts. The officer (Aequus) explained that there is a pre agreed price at the outset and properties can be revalued if the housing market grows.

Councillor Hughes referred to the core aims of Aequus as set out in the business plan last year. He stated that there is nothing in the aims about South Gloucestershire and that it seemed that we were solving somebody else’s housing problems. He asked if there is capacity to meet these core aims and also asked if Aequus is purely commercial. The officer (Aequus) explained that a regular pipeline is needed and working with South Gloucestershire helps to smooth this. He stated that it is a delivery blend and Aequus does look to deliver aspirations and core aims.

The Cabinet Member for Council Housing, Councillor Davis assured the Panel that South Gloucestershire is not at the cost of this authority. He further explained that Aequus is assisting the Council to deliver the Council Housing Building Programme and work with South Gloucestershire is not at a local cost, Aequus can do both.

Councillor Hughes asked what the advantage of Aequus is against an in-house service. The Cabinet Member explained that at the time Aequus was set up in 2015, we did not have the skill sets in-house. We would not have developed the first social rent housing without Aequus. The officer (BANES) explained that the benefits are capability, capacity, greater flexibility regarding risk management and certainty – Aequus is structured to deliver policy compliant housing. The Cabinet Member for Resources, Councillor Samuel explained that, if developments were managed in the private sector the Council would receive no profits. Aequus was set up by a Conservate administration and we have developed it but not changed the fundamental principle.

Councillor Elliott asked for more information on the difference between the risk management in Aequus and the authority. The officer (BANES) explained Aequus is set up to manage construction activity so it is easier to control the construction and delivery risk. The officer (Aequus) explained that Aequus can manage the commercial risk factor in the business case.

Councillor Duguid asked about the risk regarding rising interest rates. The officer (Aequus) explained that interest rate rises are modelled, and impacts considered.

Councillor Duguid has how many properties the Council has delivered. The Cabinet member for Council Housing stated that it is 133 units since 2019 and there are 208 further properties in the pipeline (around 190 Council houses).

Councillor Hodge asked about the 'amber' sectors regarding repurposing the commercial estate. The officer (Aequus) explained that a number of potential properties have been identified for repurposing but there are issues such as listed status and also the cost of some conversions which cause the 'amber' status.

Councillor Blackburn asked the following questions (*officer responses shown in italics*):

- Is Grosvenor included in the 133? *No, the 133 properties were delivered by the Council or Aequus.*
- Is Theobold House being refurbished? *There was a delay in the works. It is staying in Council ownership, Aequus is delivering the works.*
- Can you explain the 10 rental units with 50% void level. *There were sitting tenants as part of this acquisition. We want to get the HMO back in use, that is the 50%. Some fire compliant work is needed.*
- The £1m return for the Council is the fixed price model – are the purchasers getting a discount? *Officers to find out the details and share with Panel members.*
- Can you explain MRP changes on Council loans. *The Government was looking at how Council's could lend money to its' companies. Aequus repays money as each house is sold.*

- Do you use local estate agents. *We will tender for agents for each site.*

It was **RESOLVED** that officers be asked to draft a Terms of Reference for a group in the new administration to specifically scrutinize Aequus/companies set up by the Council. The Panel recommend that this group be set up by the new administration.

65 CABINET MEMBER UPDATE

There was no update.

66 PANEL WORKPLAN

The Panel noted that there are no meeting dates until after May 2023 dur to the local elections taking place. Workplans will be set up when the new arrangements are in place.

The meeting ended at 6.12 pm

Chair(person)

Date Confirmed and Signed

Prepared by Democratic Services

Bath & North East Somerset Council		
MEETING:	Corporate Policy Development & Scrutiny Panel	
MEETING DATE:	11 July 2023	EXECUTIVE FORWARD PLAN REFERENCE:
		E3453
TITLE:	Call-in of decision E3453 – Entry Hill Depot Site, Entry Hill, Bath BA2 5NA – Recommendation for Disposal	
WARD:	Widcombe & Lyncombe (small area contained in Combe Down)	
AN OPEN PUBLIC ITEM		
<p>List of attachments to this report:</p> <p>Appendix 1 Summary Briefing Note - Property Options Report</p> <p>Appendix 2 The Future of Entry Hill Depot Site</p> <p>Appendix 3 Entry Hill Depot Site, Recommendation for Disposal</p> <p>Appendix 4 Decision – Entry Hill Depot Site – Recommendation for Disposal</p> <p>Appendix 5 ‘Call-in’ request – Entry Hill Depot Site</p> <p>Appendix 6 – Call in Validation – Exercise of Emergency Powers</p>		

1 THE ISSUE

- 1.1 Any 9 Councillors not in the Council’s Cabinet may request that a Cabinet or Single Member Decision made, but not yet implemented, be reconsidered by the person or body who made it. This is called a “call-in” and has the effect of preventing the implementation of the decision pending a review of the decision by a Policy Development and Scrutiny Panel.
- 1.2 This report sets out the call-in received from 15 Councillors of the decision relating to the recommended disposal of the Entry Hill Depot site. The role of the Panel is to consider the issues raised by the call-in notice and to determine its response.
- 1.3 The call-in request was validated by the Chief Executive on 25 April, 2023. Given the sensitivity on timing it was considered inappropriate to determine the call-in immediately prior to the election date. The Chief Executive, therefore, suspended the requirement on timings, using powers set out in the Council’s Constitution under rule 3.4.5, highlighting that the disposal of the site did not have an urgent timeframe for completion and could therefore wait until a Panel was convened in the new Administration.

1.4 Following the 4 May 2023 election, nine of the original signatories are now former Members of the Council however, as the call-in was ratified during the life of the previous Council, the process is required to continue. Cllr Wright, substituted by Cllr Heijltjes, has subsequently agreed to be the new lead.

2 RECOMMENDATION

The Panel is asked to;

2.1 Consider the call-in request received (Appendix 5);

2.2 Decide whether it will reach a conclusion about whether to uphold or dismiss the call-in, or refer the matter to the Council itself to undertake the role of the Panel.

3 THE REPORT

3.1 When the Panel determines the call-in, it is suggested that the following format be adopted:

- (1) Remind itself of the issues to be considered and consider any additional written information supplied. The Panel will only address questions from the validated points within the call-in notice.
- (2) Hear from any public speakers (and external contributors if appropriate)
- (3) Hear from and ask questions of Councillor(s) representing the call-in signatories.
- (4) Hear from and ask questions of the Cabinet Member(s) and lead officer(s).
- (5) Hear closing statements from the Cabinet Member(s) and Lead Call-In Member.
- (6) Discuss and draw conclusions from the written and oral information presented.
- (7) Consider and formulate the Panel's determination of the call-in.

3.2 It is important to note that the panel (or Council fulfilling this role) can only recommend that the Cabinet Member reconsiders the decision. The Panel does not have the power to amend the decision itself and the ultimate decision remains with the original decision maker.

3.3 If referring the issue to Council rather than determining the call-in at Panel, no further debate should take place at the Panel.

4 STATUTORY CONSIDERATIONS

4.1 A Call-in is a statutory process pursuant to the Council's Constitution Part 3.2.25. The Chief Executive has validated the call in and confirms that it conforms to constitutional requirements in terms of time of receipt and number of Members validly subscribing to it.

4.2 The Policy Development and Scrutiny Panel Chairs have approved guidance on the handling of call-in requests which make clear that there is a presumption that every validated call-in will proceed to a public meeting stage.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 The Panel should be aware that the Council's Constitution (Part 3.3.14) requires that

"Where an Overview and Scrutiny Panel makes a recommendation that would involve the Council incurring additional expenditure (or reducing income) the Panel has a responsibility to consider and / or advise on how the Council should fund that item from within its existing resources or the extent to which that should be seen as a priority for future years' budget considerations".

5.2 It is important, therefore, in its consideration of the call-in that the Panel gives consideration to the alternative options available to the decision-maker and the financial consequences of these.

6 RISK MANAGEMENT

6.1 A risk assessment related to the issue and recommendations (of the issue being called-in) has been undertaken, in compliance with the Council's decision making risk management guidance.

7 EQUALITIES

7.1 N/A

8 CLIMATE CHANGE

8.1 N/A

9 OTHER OPTIONS CONSIDERED

9.1 N/A

10 CONSULTATION

10.1 This report has been prepared following consultation with the Chair and Vice Chair of the Policy Development and Scrutiny Panel.

Contact person	<i>Ceri Williams</i> <i>Policy Development & Scrutiny Officer (01225 396053)</i>
Background papers	<i>None</i>

Please contact the report author if you need to access this report in an alternative format

SUMMARY BRIEFING NOTE: – PROPERTY OPTIONS REPORT

Entry Hill Depot, Entry Hill, Bath BA2 5NA

Background / Overview

This Options Paper has been requested in order to determine options available at the subject site, subsequent to ADL initially rejecting the opportunity to bring the site forward for residential development and confirmed interest from a party to develop the site as a satellite manufacturing facility to their existing premises nearby.

On BANES receiving an unsolicited approach from a proposed purchaser, instructions were forthcoming to progress negotiations with them on the basis of an initial three year lease (to generate revenue) with an option to purchase the long leasehold/ freehold interest at the expiry of the three year term.

On this basis, a Third Party RICS Red Book Valuation has been commissioned in order to inform values on several bases.

The Cabinet Member for Resources has now requested an Options Paper to consider all options prior to progressing negotiations with the interested party.

The 4 options identified are summarised below, detailing strengths and weaknesses of each.

Options for Consideration

Option 1 – Do nothing, Entry Hill Depot to continue to be utilised as a storage depot for the Council

Strengths:

- Retention of a depot facility close to centre of Bath used by various departments for storage.
- Complies with current planning policies.
- Council retains control over the use of the site.

Weaknesses:

- No income generation. Market rent approx. £xxk pa
- An established local highly skilled manufacturing company will not expand into an ideal site for their existing business resulting in reduced/ lack of investment.
- Potential danger of local manufacturing company relocating entire operation from Bath to a bespoke/larger site outside of BANES.
- Potential loss of jobs for locally skilled workers and opportunity for new skilled jobs within BANES.
- Economic impact
- No regeneration or improvement for the area.
- No capital receipt.

Option 2 – Agree three-year lease with the interested party including an option to purchase the site on a long leasehold/freehold basis at the end of the term.

Strengths:

- Potential revenue due to stepped rental during the proposed three-year lease.
- Market rent from valuation report at circa £xxk pa.
- Potential capital receipt if option to purchase actioned.
- Value on commercial restricted basis £xx.
- Potential re-development of the site.
- Improvement to surrounding area.
- Reduced property management & holding costs.
- Maximising the benefit to the community.
- Skilled workforce job retention.
- Skilled job creation.
- Ensures a major local employer remains in the area

- No need to relocate entire business outside of the region.

Weaknesses:

- Loss of potential three-year income.
- Loss of potential large capital receipt.
- Loss of established local employer.
- Loss of skilled jobs and income.
- Potential loss of site for residential development.
- Potential loss of affordable housing units.

Option 3 – Sell the freehold/long leasehold interest on the open market to a private developer to obtain capital receipt -

Strengths:

- Potential large capital receipt.
- Value on residential basis £xx
- Competing developer interest may well result in an informal best bids scenario, achieving higher than £xx.
- The final realised capital receipt could be significantly higher due to a rare opportunity to acquire a development site of this nature in a desirable location of Bath.
- Council controls any re-development on the site if long leasehold disposal.
- Council controls the use on the site if long leasehold.
- Improvement to surrounding area due to investment.
- Reduced property management & holding costs.
- Potential to ringfence part or all of any capital receipt to support funding to affordable housing provision elsewhere in the Council area.

Weaknesses:

- Loss of potential 3-year commercial income.
- Loss of depot in close proximity to city centre.
- Retained asset if disposed of long leasehold, so an element of management cost.

Option 4 – JV Housing agreement or transfer to ACL for residential development and provision of affordable housing units.

Strengths:

- Potential large capital receipt from ACL
- Residential value £xx
- Potential revenue from ACL from loan repayment and dividend
- Potential re-development of the site
- Improvement to surrounding area
- Reduced property management & holding costs

Weaknesses:

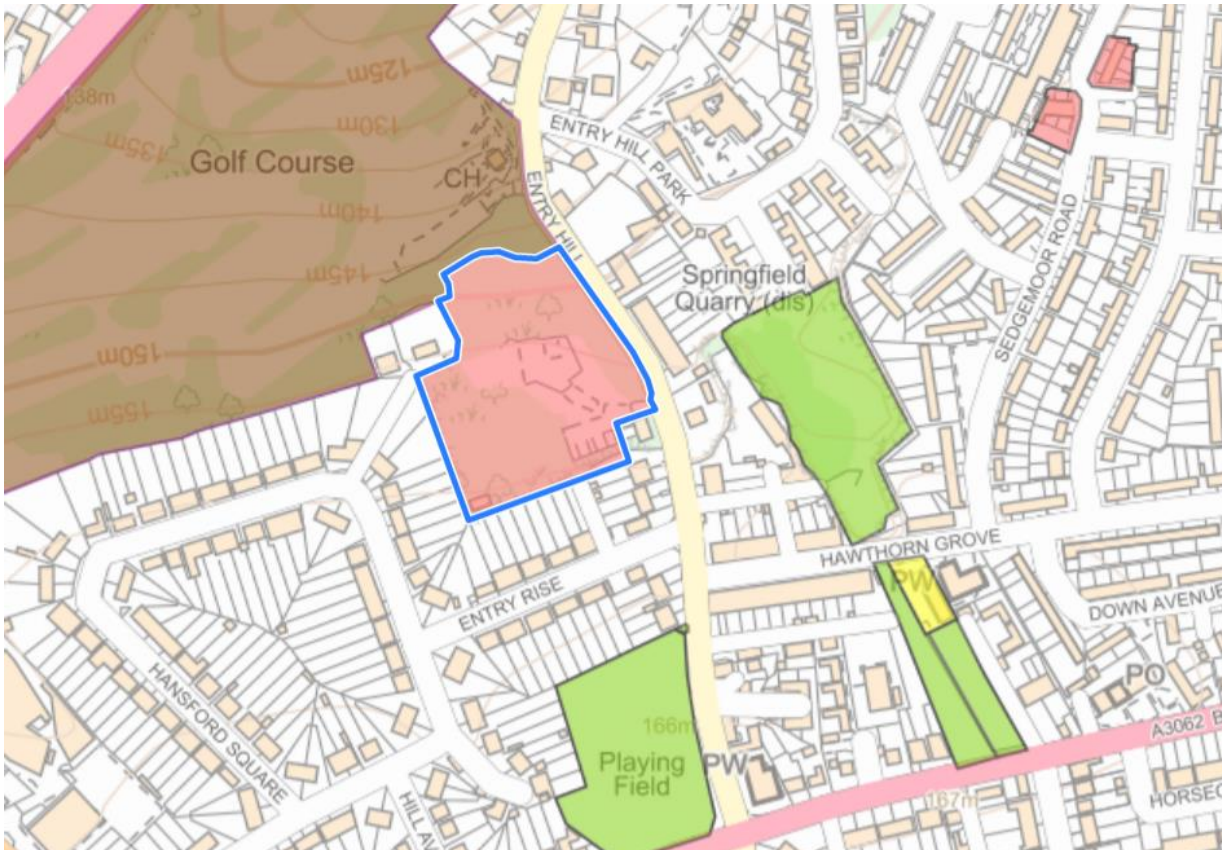
- Loss of potential commercial income.
- Potential cost of redevelopment.
- Potential loss of affordable housing units should ACL redevelop for the private sector going against Councillors concerns regarding protecting affordable housing.
- Potential loss of local employer.
- Potential loss of skilled jobs.
- Potential loss of new skilled jobs.
- Adverse local economic impact.

Values and rental figures redacted due to sensitivity

This page is intentionally left blank

Bath & North East Somerset Council

TITLE: The Future of Entry Hill Depot



BACKGROUND

A local employer approached the Council some time ago to either rent or preferably purchase Entry Hill depot. Their current site is at capacity and their options are limited due to the limited availability of industrial land in Bath. Their options are either move out of Bath or alternatively acquire land close to the current site, Entry Hill Depot.

Heads of terms were agreed to reflect Officers and Councillor input. The proposed structure of the deal was to grant a short-term lease (to generate a revenue stream) with an option to purchase. The purchase price is supported by external independent valuation. The lease term to be for a period of 4 years. It also included a provision that if the interested party fail to obtain planning permission, the site will revert to the Council, enabling it to decide upon its alternative future.

The length of the lease terms of 4 years, is at the insistence of the planning agents for the interested party who are concerned that three years is insufficient to take this through planning, in the event the matter needs to go to appeal.

In addition, the lease provides for the landlord to serve notice to break the lease two months prior to the expiry of the end of the third year of the term.

THE ISSUE

Councillors are concerned the site could be used for residential or part residential. Further advice was requested concerning industrial development versus residential development, or part residential development at Entry Hill Depot.

Commentary

Turning to the question of industrial development as opposed to residential development of the site, the material point to note is the planning position. The site is designated as employment land. It also has environmental restrictions which require addressing in turn.

Planning

An application for residential development on industrial land will be met with strong opposition from the Economic Development department who will insist that the site be marketed for 12 months and only if there is no demand for industrial or storage uses can residential be considered. This is supported by the case of the Regency Laundry decision, whereby residential was refused. There is however, contrary evidence of a residential scheme being permitted on employment land, but this scheme (Argyle Works) was solely for affordable housing. If the site was for this purpose alone the planners may look on a residential scheme more favourably. With regard to Entry Hill, the planners have advised given there is strong demand for industrial or storage uses, planning for residential is likely to be refused. Any loss of industrial land would be resisted. This will be their stance even if the proposal is for both industrial and residential use as there would still be a loss of industrial space.

Environmental

A. Bats - This is a foraging site for Greater and Lesser Horseshoe bats, a protected species. Bats fly/hunt over foliage of trees and hedges where there is most insect life. There will be a requirement to maintain the trees and ground cover all around the site to a considerable depth from the boundary. This significantly reduces the size of the developable area.

Bats are disturbed by light pollution and housing development with lighted windows and street lights will have a negative impact which the ecologists will say should be avoided.

Industrial users can limit this effect with specially designed lighting, much of it under cover, minimal light spill from roof lights and windows and also by not working at night in the darkest months.

Light pollution is difficult to control and mitigate with a residential or mixed use scheme.

B. Biodiversity - One of the key planks of the Planning Policy update is net biodiversity gain.

As can be seen from the illustration below the interested party do not intend to develop the whole site. The intend to build two units (3,200 sq. metres), plus roads, outside storage and parking. Their scheme allows for enhancing the biodiversity by keeping half of the ground cover and enhancing the tree health. The badger set in the steep bank at the south end can be left undisturbed, without interference. Enhancement can be achieved by off-setting against the land which is left undeveloped. To satisfy the planners they require the whole site to do this.



Enhancing the biodiversity for residential and a mixed-use site is more difficult, as more of the land will need to be developed, leaving less land as the off-set.

C Tree and shrubs - The need to maintain trees and shrubs and the steep bank at the south end means that the effective site area for development is less than 8,000 sq. metres of a 17,280 sq. metre site.

Contamination

The whole site is 5m deep with infill, mainly fuel ash from the coal fired power station that once stood in Southgate. There will be pathways for contamination in a residential development in the gardens and verges/open spaces that will involve costly remediation, possible digging out and removing a large amount of the fill. ADL's assessment of the site for residential concluded that it was uneconomic to develop. Any residential scheme even a single block of flats will need to be subsidized by the local authority.

Industrial uses general can limit the amount of site that is developed and then by use of hard site cover eliminate the pathways to human receptors. The land fill does not necessarily need to leave site.

Foundations

These will have to be engineer designed to negotiate 5m of fill, even if it is removed. This will substantially increase the cost of foundations and is another reason why ADL dismissed the site for residential. The type of foundations required makes residential units uneconomic.

Highways

The established depot use with lorries means that for a new factory there is a precedent in place already. Highways may require improvement to the sight lines for the entrance but nothing more.

A housing site with more movement by car, pedestrians and cyclists will involve more design input and is more difficult to achieve.

A mix-use with joint access off Entry Hill is unlikely to gain planning approval due to the mix of cars, pedestrians and lorries in a restricted area.

To try and resolve this issue an additional access via the Entry Hill golf club entrance has been investigated to see whether it is feasible. From the main gates of the golf club a hardstanding track provides access across the club's land. A retaining wall runs alongside the track, supporting the steeply sloped land leading up to the subject depot site.

The slope up to the depot land is extremely steep and only dissipates further along the track when it reaches the rear gardens of residential housing. Therefore, the area bordering the depot land is inaccessible from this route and as such there is not an option for an additional entrance at this point.

Neighbours

The site is bordered by 17 houses, many of which are high up on the top of the quarry face. None have a right to a view but some will object to any development. A factory can be designed to minimise its visual impact. There will be no overlooking and much less light pollution. The electricity substation at the entrance to the depot is unattractive and has vans and lorries, sometimes large items of plant outside and alongside. It will need effective separation from the main access to the site and for housing this separation will have to be more carefully designed/may be off-putting.

RECOMMENDATION

The planning policy objection is the main obstacle to a residential or mixed-use development. Second is contamination / made up ground and third the difficulty of showing biodiversity net gain.

The development of additional business use on site by the interested party maintains and indeed will increase skilled jobs in Bath and enhance the local economy in line with the Council's Core Strategy.

Due to biodiversity net gain the interested party has advised that they can only proceed if they can acquire the whole site. The view being any employment use will not obtain

planning consent without off-set, so the whole is required. This means if they cannot acquire the whole site, it will look to relocate outside of Bath and not necessarily within BANES district.

If the Council retains part or all the land for a potential residential scheme it risks not gaining planning consent. Any scheme will need to be fully affordable housing to stand any chance of consent. This scheme will be unviable to develop so will require substantial Council funding, to overcome the major issues of contamination, access and biodiversity. The Council also risks being liable for the on-going management/holding costs of any retained land.

In summary due to the constraints and risks of the site, it is recommended not to pursue a residential scheme on part or all the land.

In terms of options going forward there are a few considerations. Earlier in the year the Council's intention was to secure a short-term revenue stream with a capital receipt in four years' time. If this is still the case, the Council can continue to do this. If, however, the Council's intention has changed this could be re-visited. The Council could either put the property up for sale on the open market or alternatively, given the interest from the local interested party, get an up-to-date independent valuation and sell now. The benefits to the latter method of disposal are that the local party is familiar with the site and its conditions. They are less likely to negotiate at the last minute and although not guaranteed, the Council is more likely to receive the capital receipt this financial year. If the property is placed on the open market it is unlikely that a capital receipt will be achieved this financial year, given the site conditions and planning complexities.

This page is intentionally left blank

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Single Member Decision Cllr Richard Samuel, Cabinet Member for Resources	
MEETING/ DECISION DATE:	On or after 1st April 2023	<small>EXECUTIVE FORWARD PLAN REFERENCE:</small>
		E 3453
TITLE:	Entry Hill Depot Site, Entry Hill, Bath BA2 5NA – Recommendation for Disposal	
WARD:	Widcombe & Lyncombe (small area contained in Combe Down)	
AN OPEN PUBLIC ITEM		
<p>List of attachments to this report: Appendix 1 - Entry Hill Depot Summary Appendix 2 - Briefing Note 090321 Entry Hill Report 231122</p>		

1 THE ISSUE

Agree that The Entry Hill Depot Site does not offer an opportunity to develop for Residential Development in the short to medium term and therefore could be offered for sale or lease for employment use only in accordance with the local plan.

2 RECOMMENDATION

The Cabinet Member for Resources is asked to:

2.1 Proposal

Agree to:

1. Determine that the Entry Hill Depot site be disposed of by lease or sale on the basis it is limited to employment use only.
2. Delegate to the Head of Corporate Estate in Consultation with the Section 151 Officer the power to enter into a direct lease and or sale to a local employer subject to:

- a) a Red Book RICS valuation
- b) Overage provisions

3 THE REPORT

- 3.1 A local employer approached the Council to either rent or preferably purchase Entry Hill Depot. Their current site is at capacity and their options are limited due to the limited availability of industrial land in Bath. Their options are either move out of Bath or alternatively acquire land close to the current site, Entry Hill Depot.
- 3.2 It was previously agreed they would consider a straight and unconditional purchase of the site, the purchase price to be subject to a third party RICS Red Book valuation, meaning any disposal would be at the open market rate as evidenced by the RICS valuation.
- 3.3 This option is preferable to realise capital earlier.
- 3.4 Councillors were concerned the site could be used for residential or part residential. Further advice was requested concerning industrial development versus residential development, or part residential development at Entry Hill Depot. Attached is an extract of a report which addresses this issue, the conclusion of which indicates that residential uses for this land would not be permissible or viable in the short to medium term.
- 3.5 On the question of industrial development as opposed to residential development of the site, the material point to note is the planning position. The site is designated as employment land. It also has environmental restrictions which require addressing in turn.
- 3.6 An application for residential development on industrial land will be met with strong opposition from the Economic Development department who will insist the site be marketed for 12 months and only if there is no demand for industrial or storage uses can residential be considered. This is supported by the case of the Regency Laundry decision; whereby residential use was refused. There is, however, contrary evidence of a residential scheme being permitted on employment land, but this scheme (Argyle Works) was solely for affordable housing. If the site was for this purpose alone the planners may look on a residential scheme more favourably. Regarding Entry Hill Depot, the planners have advised given there is strong demand for industrial or storage uses, planning for residential use is likely to be refused. Any loss of industrial land would be resisted. This will be their stance even if the proposal is for both industrial and residential use as there would still be a loss of industrial space.
- 3.7 The whole site is 5m deep with infill, mainly fuel ash from the coal fired power station that once stood in Southgate. There will be pathways for contamination in a residential development in the gardens and verges/open spaces that will involve costly remediation, possible digging out and removing a large amount of the fill. Foundations will have to be engineer designed to negotiate 5m of fill, even if it is removed. This will substantially increase the cost of foundations. The type of foundations required makes residential units uneconomic. ADL's assessment of the site for potential residential development concluded that it was uneconomic to develop. Any residential scheme, even a single block of flats, will need to be subsidised by the local authority.

- 3.8 Industrial uses generally can limit the amount of whole site that is developed, and the land fill does not necessarily need to leave site.
- 3.9 The highways report is favourable for industrial use - The established depot use with lorries means that for a new factory there is a precedent in place already.
- A housing site with more movement by car, pedestrians and cyclists will involve more design input and is more difficult to achieve.
- 3.10 A mix-use with joint access off Entry Hill is unlikely to gain planning approval due to the mix of cars, pedestrians, and lorries in a restricted area.
- 3.11 The area bordering the depot land is inaccessible and as such there is no option for an additional entrance at this point.
- 3.12 A factory can be designed to minimise its visual impact. There will be no overlooking and much less light pollution. The electricity substation at the entrance to the depot is unattractive and has vans and lorries, sometimes large items of plant outside and alongside. It will need effective separation from the main access to the site and for housing this separation will have to be more carefully designed/may be off-putting.
- 3.13 The proposed purchaser employs almost 600 staff of which 150 are based at its headquarters in Bath, with the remainder at its two factories in Devizes. 65% of staff live within 10 miles of the Bath site and 30% within 5 miles. Their employee retention rate in Bath is impressive; over 40% of staff based at Bath have worked for the company for more than 15 years.
- 3.14 A former stone quarry, the proposed purchaser's existing site of 1.3ha houses approximately 6,500 sqm factory space and is completely built out; pressure on space is considerable. The company is already at maximum capacity and the existing infrastructure, including parking, is an ongoing issue.
- 3.15 Given the strong historic and community ties with Midford/Combe Down, the company's preference is to remain within the immediate area. They have considered the possibility of transferring some production to its manufacturing sites in nearby Devizes. However, the specialist nature of the training involved, coupled with the time needed to bring the relevant staff up to speed, means that this is not an easy transfer to execute in practice. The overriding desire is to continue to keep its staff and their expertise and skills within the existing area if possible.
- 3.16 Another option considered by the proposed purchaser s to acquire additional space either close to the company's nearby sites in Devizes or within a reasonable commuting distance for its Bath employees. The proposed purchaser has previously looked at potential locations on existing trading estates and green/brownfield sites, including sites in the Peasedown St John, Radstock and Midsomer Norton areas and other parts of Somerset and Wiltshire. Whilst they cannot rule this out entirely, it is not the company's preferred solution.
- 3.17 The proposed purchaser is seeking initial consent for a 1,000 sqm factory at Entry Hill, with an additional 450 sqm warehouse space and a further 450 sqm dedicated to ancillary offices, toilets, canteen, and staff facilities. The new space will house an area of production, while the main research and corporate office

facility will remain at their current site. Space permitting, the factory building will be designed with further expansion in mind.

3.18 The new factory space at Entry Hill will create potential job opportunities within the local area. The proposed purchaser anticipates that initial staff numbers will be in the region of 15. Further annual growth at both Entry Hill and the current site is projected as the freed-up space at their existing facility is better utilised. Given the low number of total staff, parking requirements at the new Entry Hill site will be correspondingly low.

3.19 The estimated current gross value add ('GVA') for the existing site is £93,500 per person. Based on a total headcount of around 150 (see above), the total estimated GVA is £14m a year. The new facility at Entry Hill will add a minimum of 15 members of staff in the short term and therefore an additional GVA of £1.4m a year, with the potential for additional growth. Thought has been given to potential mechanisms whereby, if a transfer concludes to the proposed purchaser, they have to deliver on the employment use expansion. However, by proceeding with an unconditional deal which is not subject to planning, in order to expedite capital receipts, any binding conditions are not feasible, and it should therefore be highlighted there is a minimal risk that the reasons for selling to them i.e., GVA increase / Council support of the manufacturing economy might not be realised. However, the proposed purchaser has confirmed that it is fully committed to an expanded facility on the site with the resultant increase in GVA/economic benefit. For the avoidance of doubt any future development value for higher value alternative use such as residential use will be restricted by the terms of sale and only permitted by release of covenant and overage

3.20 To conclude, the proposed purchaser is a successful and financially stable local employer with a conservative business plan that includes steady expansion. It has occupied an important role within the Midford/Combe Down community for several decades and has a strong desire to remain part of that community. Having outgrown its current site, the company is keen to secure additional space, and Entry Hill provides it with the perfect opportunity to do that. Although the company is not averse to looking further afield to solve its current issues, including, if necessary, a move to nearby Devizes or within reasonable commuting distance of its Bath employees, staying within the current area allows maintenance of longstanding ties with the community and continues to contribute to the local economy on an even greater level. No higher alternative use values have been identified as viable and feasible in planning terms and the unconditional nature of the proposed contract to enable a receipt to the council to be delivered within the next two financial quarters will not guarantee that the GVA will be realised but the purchaser has indicated their resolve to complete a factory development.

4 STATUTORY CONSIDERATIONS

4.1 Biodiversity - One of the key planks of the Planning Policy update is net biodiversity gain. The main points in consideration of this are detailed in Section 8 below.

4.2 The planning policy consideration is the main obstacle to a residential or mixed-use development. Second is contamination / made up ground and third the

difficulty of showing biodiversity net gain. These points are explored in greater depth in sections 3 and 8.

- 4.3 The development of the subject site for employment/industrial use is far more sustainable for all reasoning detailed in this report, rather than the consideration of a potential, although unlikely, residential use. However, the transfer will be subject to overage provisions in the event that residential use ever became viable.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1 The proposed sale of the subject site has received Section 151 Officer approval during 2021/22, with the potential capital receipt previously included in the Council budget.
- 5.2 Any newly agreed terms to be subject to a refresh of the previous third party RICS Red Book valuation to ensure any disposal would be at the open market rate as evidenced by the RICS valuation.

6 RISK MANAGEMENT

- 6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision-making risk management guidance.
- 6.2 The planning policy objection is the main obstacle to a residential or mixed-use development. Second is contamination / made up ground and third the difficulty of showing biodiversity net gain.
- 6.3 The development of additional business use on site maintains and indeed will increase skilled jobs in Bath and enhance the local economy in line with the Council's Core Strategy.
- 6.4 Due to biodiversity net gain, the proposed purchaser has advised they can only proceed if they acquire the whole site. The view being any employment use will not obtain planning consent without off-set, so the whole is required. This means if the proposed purchaser cannot acquire the whole site, it will look to relocate outside of Bath and not necessarily within BANES district.
- 6.5 If the Council retains part or all the land for a potential residential scheme it risks not gaining planning consent. Any scheme will need to be fully affordable housing to stand any chance of consent. This scheme will be unviable to develop so will require substantial Council funding, to overcome the major issues of contamination, access, and biodiversity. The Council also risks being liable for the on-going management/holding costs of any retained land.
- 6.6 The benefits to a single entity method of disposal are that the proposed purchaser is familiar with the site and its conditions. Whilst attempts to negotiate at the last minute will be rejected, they cannot be guaranteed not to occur, but it is unlikely that the purchase price will be "chipped" by the purchaser and the Council is more likely to receive the capital receipt this financial year. If the

property is placed on the open market, it is unlikely that a capital receipt will be achieved this financial year, given the site conditions, and planning complexities. In fact, the amount of due diligence required by parties unfamiliar with the site will result in a very extended period to achieve a capital receipt.

- 6.7 In summary due to the constraints and risks of the site, it is recommended not to pursue a residential scheme on part or all the land and to proceed with an off-market sale, subject to third party independent valuation.

7 EQUALITIES

- 7.1 An EIA has not been carried out as this decision seeks to confirm approval to a property disposal and does not involve Equality policy.

8 CLIMATE CHANGE

- 8.1 Bats - This is a foraging site for Greater and Lesser Horseshoe bats, a protected species. Bats fly/hunt over foliage of trees and hedges where there is most insect life. There will be a requirement to maintain the trees and ground cover all around the site to a considerable depth from the boundary. This significantly reduces the size of the developable area.
- 8.2 Bats are disturbed by light pollution and housing development with lighted windows and streetlights will have a negative impact which the ecologists will advise should be avoided.
- 8.3 Industrial users, such as the proposed purchaser can limit this effect with specially designed lighting, much of it under cover, minimal light spill from roof lights and windows and by not working at night in the darkest months.
- 8.4 Light pollution is difficult to control and mitigate with a residential or mixed-use scheme.
- 8.5 Biodiversity - One of the key planks of the Planning Policy update is net biodiversity gain.
- 8.6 The proposed purchaser does not intend to develop the whole site. They intend to build two units (circa 3,200 sq. metres), plus roads, outside storage and parking. Their scheme allows for enhancing the biodiversity by keeping half of the ground cover and enhancing the tree health. The badger set in the steep bank at the south end can be left undisturbed, without interference. Enhancement can be achieved by off-setting against the land which is left undeveloped. To satisfy the planners they require the whole site to do this.
- 8.7 Enhancing the biodiversity for residential and a mixed-use site is more difficult, as more of the land will need to be developed, leaving less land as the offset.
- 8.8 Tree and shrubs - The need to maintain trees and shrubs and the steep bank at the south end means that the effective site area for development is less than 8,000 sq. metres of a 17,280 sq. metre site.

9 OTHER OPTIONS CONSIDERED

9.1 In terms of options going forward there are some considerations.

9.2 Earlier in the year the Council's intention was to secure a short-term revenue stream with a capital receipt in four years' time. If this is still the case, the Council can continue to do this. If, however, the Council's intention has changed this could be re-visited. The Council could either put the property up for sale on the open market or alternatively, given the interest from the proposed purchaser, get an up-to-date independent valuation and sell now. The benefits to the latter method of disposal are that proposed purchaser is familiar with the site and its conditions. They are less likely to negotiate at the last minute and although not guaranteed, the Council is more likely to receive the capital receipt this financial year.

9.3 If the property is placed on the open market, it is unlikely that a capital receipt will be achieved this financial year, given the site conditions, and planning complexities. The recommendation, therefore, is to proceed as per recommendations detailed in this report above.

9.4 The principle of best consideration being achieved is safeguarded by the Red Book (Fair i.e., Open Market Value) Valuation request being secured, and its outcome being agreed as the Purchase Price subject to clawback provisions as detailed earlier.

10 CONSULTATION

Cabinet members; Section 151 Finance Officer; Chief Executive; Monitoring Officer.

Contact person	Sarah Varley 01225 477453
Background papers	<p>S:\PALS\Prop_Mgt\Workshops&Depots\Entry_Hill_Depot_H007\Valuation_Services\Disposal\Entry_Hill_Depot - SUMMARY BRIEFING NOTE 1.docx</p> <p>S:\PALS\Prop_Mgt\Workshops&Depots\Entry_Hill_Depot_H007\Valuation_Services\Disposal\Entry_Hill report 1.docx</p> <p>Author Glenn Chinnock 01225 477962</p>
Please contact the report author if you need to access this report in an alternative format	

Single Member Cabinet Decision

**Executive
Forward Plan
Reference**

E3453

**Entry Hill Depot Site, Entry Hill, Bath BA2 5NA –
Recommendation for Disposal**

Decision maker/s	Cllr Richard Samuel, Cabinet Member for Resources
The Issue	Agree that The Entry Hill Depot Site does not offer an opportunity to develop for Residential Development in the short to medium term and therefore could be offered for sale or lease for employment use only in accordance with the local plan.
Decision Date	13th April 2023
The decision	<p>The Cabinet Member agrees to:</p> <ol style="list-style-type: none"> 1. Determine that the Entry Hill Depot site be disposed of by lease or sale on the basis it is limited to employment use only. 2. Delegate to the Head of Corporate Estate in Consultation with the Section 151 Officer the power to enter into a direct lease and or sale to a local employer subject to: <ol style="list-style-type: none"> a) a Red Book RICS valuation b) Overage provisions
Rationale for decision	<p>Biodiversity - One of the key planks of the Planning Policy update is net biodiversity gain. The main points in consideration of this are detailed in Section 8 of the SMD Report.</p> <p>The planning policy consideration is the main obstacle to a residential or mixed-use development. Second is contamination / made up ground and third the difficulty of showing biodiversity net gain. These points are explored in greater depth in sections 3 and 8 of the SMD Report.</p> <p>The development of the subject site for employment/industrial use is far more sustainable for all reasoning detailed in the report, rather than the consideration of a potential, although unlikely, residential use. However, the transfer will be subject to overage provisions in the event that residential use ever became viable.</p>

Financial and budget implications	<p>The proposed sale of the subject site has received Section 151 Officer approval during 2021/22, with the potential capital receipt previously included in the Council budget.</p> <p>Any newly agreed terms to be subject to a refresh of the previous third party RICS Red Book valuation to ensure any disposal would be at the open market rate as evidenced by the RICS valuation.</p>
Issues considered	<p>Sustainability; Property; Corporate</p>
Consultation undertaken	<p>Ward Councillor; Cabinet colleagues; Section 151 Finance Officer; Chief Executive; Monitoring Officer</p>
How consultation was carried out	<p>A site visit undertaken on 18 July 2022 by Ward Members and Directors. The SMD report forwarded to The Cabinet Member for Resources, s151 Officer, Monitoring Officer and Chief Executive for comment and report amends.</p>
Other options considered	<p>Earlier in the year the Council’s intention was to secure a short-term revenue stream with a capital receipt in four years’ time. If this is still the case, the Council can continue to do this. If, however, the Council’s intention has changed this could be re-visited. The Council could either put the property up for sale on the open market or alternatively, given the interest from the proposed purchaser, get an up-to-date independent valuation and sell now. The benefits to the latter method of disposal are that the proposed purchaser is familiar with the site and its conditions. They are less likely to negotiate at the last minute and although not guaranteed, the Council is more likely to receive the capital receipt this financial year.</p> <p>If the property is placed on the open market, it is unlikely that a capital receipt will be achieved this financial year, given the site conditions, and planning complexities. The recommendation, therefore, is to proceed as per recommendations detailed in the SMD report.</p> <p>The principle of best consideration being achieved is safeguarded by the Red Book (Fair i.e., Open Market Value) Valuation request being secured, and its outcome being agreed as the Purchase Price subject to clawback provisions as again, detailed in the report.</p>
Declaration of interest by Cabinet Member(s) for decision:	<p>None</p>
Any conflict of interest declared by anyone who is consulted by a Member taking the decision:	<p>None</p>

Name and Signature of Decision Maker/s	Councillor Richard Samuel Economic Development and Resources
Date of Signature	13 April 2023
Subject to Call-in until 5 Working days have elapsed following publication of the decision	

This page is intentionally left blank

Notice requesting to call in Decision by the Cabinet Member for Resources: Entry Hill Depot Site, Entry Hill, Bath BA2 5NA – Recommendation for Disposal

That the Entry Hill Depot site be disposed of by lease or sale on the basis that it is limited to employment use only.

The undersigned Councillors wish to call in the decision taken by the Cabinet Member for Resources on Thursday 13th April 2023.

(1) To determine that the Entry Hill Depot site be disposed of by lease or sale on the basis that it is limited to employment use only.

(2) To delegate to the Head of Corporate Estate in consultation with the Section 151 Officer the power to enter into a direct lease and/or sale to a local employer subject to:

- (a) a Red Book RICS valuation
- (b) Overage provisions

The reasons for why the undersigned Councillors wish to call in this decision are as follows:

1. Insufficient consultation

With only five days of consultation, this decision appears to have been rushed through without sufficient time to have been properly considered. This is unsettling, especially given that Entry Hill, next door, has been the subject of recent controversy. On this basis, to have taken a decision so quickly, appears controversial itself. Councillors have also expressed their apprehension that whilst there is purportedly a buyer, the site was not actually put onto the market. This has raised deep concerns over the transparency of the decision.

2. Impact on the May election

With the BANES Council election in May fast approaching, it is very troubling that such an important decision by Council has been made now. Though the decision may well have been made with no intention of having a political impact, it will no doubt have one regardless. As mentioned above, next door, Entry Hill has been the subject of controversy over previous Council plans for the area. For Council to wish to suddenly relinquish any plans for the area, so close to the election, could be seen as politically motivated. For these reasons, the undersigned Councillors take great issue with the decision and its potential to impact the election in May.

3. Ecological damage

No due consideration has been paid to the impact that the disposal of the Entry Hill Depot will have upon the local ecology of the area, including species with European legal protection, such as bats. Felling of trees on the site will have serious repercussions on wildlife and could result in permanent environmental damage. That the area's history and existing fragile ecosystem were not considered by this decision is very unfortunate and would contradict Council's commitment to safeguarding the environment around BANES. Whilst we understand that there may be Ash die back and an investigation was carried out, we would like to understand the surveys undertaken to come to that conclusion. Also, we would like to understand if an Ecological Impact Assessment has been carried out on a) the felling of the trees, even if they have Ash Die Back and b) on the disposal of that site, and the conclusions formed from that Assessment, given that the Council has declared a Climate and Ecological Emergency in the last 4 years

As such, the undersigned Councillors are greatly concerned that this decision would not meet the Council's stated aims to protect BANES's environment and that the decision would in fact undermine our Climate Emergency strategies.

Signatories

1. Karen Warrington
2. Vic Pritchard
3. Lisa O'Brien
4. Dr Kumar
5. Michael Evans
6. Sally Davis
7. Victor Clarke
8. Christopher Watt
9. Brian Simmons
10. Alan Hale
11. Colin Blackburn
12. Karen Walker
13. Shaun Hughes
14. June Player
15. Joanna Wright

Decision details

Entry Hill Depot - Call in Validation - Exercise of Emergency Powers

- [Find out more about this issue](#)

Decision Maker: Chief Executive

Decision status: Approved

Is Key decision?: Yes

Is subject to call in?: No

Purpose:

The Chief Executive is authorised to undertake any action s/he considers appropriate to address situations where it is neither practicable nor possible to effect the Council's normal procedures or arrangements for either executive or non-executive business. The action taken will be recorded and reported to the first available ordinary meeting of the Council or relevant other body.

The call in request has been validated. However given the sensitivity of the timing it is not considered appropriate to determine the call in process immediately prior to the election date.

Reason

The decision on disposal of the site has no urgent timeframe for completion and can therefore wait until a Panel is convened to consider this in the new Administration.

If the call-in is upheld, and referred back to the original decision maker, it will need to be referred to the Leader to allocate this function to the new Cabinet Member for Resources.

Decision:

Due to the imminent election, the sensitivity of the issue and no constituted Panels until after the AGM on 25th May 2023 , the Chief Executive validates the call in and uses rule 3.4.5 to suspend the above requirements on timing:

Rule 3.4.5 EMERGENCY ARRANGEMENTS provides:

The Chief Executive is authorised to undertake any action s/he considers appropriate to address situations where it is neither practicable nor possible to effect the Council's normal procedures or arrangements for either executive or non-executive business. The action taken will be recorded and reported to the first available ordinary meeting of the Council or relevant other body.

Alternative options considered:

Option 1 - For call in to take place before the election date
Option 2 - For call in to be delayed until after the election date

Publication date: 25/04/2023

Date of decision: 25/04/2023

Bath & North East Somerset Council		
MEETING	Corporate Policy Development and Scrutiny Panel – 11 July 2023	
MEETING DATE:	11 July 2023	EXECUTIVE FORWARD PLAN REFERENCE:
TITLE:	Corporate Strategy 2023-2027	
WARD:	All	
AN OPEN PUBLIC ITEM		
<p>List of attachments to this report:</p> <p>DRAFT CORPORATE STRATEGY 2023-2027 (available 5 July as part of the Cabinet agenda pack)</p>		

1 THE ISSUE

- 1.1 The council’s Corporate Strategy provides a framework for the council’s plans over the next four years. This report invites the Corporate Policy Development and Scrutiny (PDS) Panel to consider the draft [Corporate Strategy 2023-2027](#) and report to 13 July Cabinet with any associated comments and recommendations.

2 RECOMMENDATION

The Corporate PDS Panel is asked to:

- 2.1 Review the draft Corporate Strategy 2023-2027 and direct any comments/recommendations to 13 July Cabinet, where the document will be considered for recommendation to Council on 20 July, as it forms part of the Policy and Budget Framework**

3 THE REPORT

- 3.1 The Corporate Strategy sets out the high-level aims of the Council. The Panel is invited to review the document in advance of recommendations at Cabinet on 13

July and a final decision at Council on 20 July. The Deputy Leader and Cabinet Member for Council Priorities and Delivery will be in attendance to respond to Panel questions.

3.2 The Corporate Strategy will determine how Bath & North East Somerset Council will deliver its purpose of **improving people's lives** over the next four years. It is the council's overarching policy document, from which associated delivery plans and key performance indicators will be developed to progress and monitor implementation.

3.3 The proposed Corporate Strategy builds on the current document, which was adopted in 2020. It retains the existing purpose, core policies and principles. It further refines these into an 'outcomes framework', which identifies more detailed priorities for the council, working with partners and communities, to 2027. The refresh of the Corporate Strategy follows the May 2023 elections and the subsequent formation of a new cabinet.

3.4 The draft [Corporate Strategy 2023-2027](#) remains based on the following existing framework:

(i) We have **one** overriding purpose – to **improve people's lives**. This brings together everything we do, from cleaning the streets to caring for our older people. It continues to be the foundation of the Strategy and drives commitments, spending and service delivery.

(ii) We have **two** core policies – tackling the climate and nature emergency and giving people a bigger say. These shape our work and have been expanded in the new Strategy with the following commitments:

- We will lead the UK in climate and nature action, building a sustainable future for Bath and North East Somerset- net zero, nature positive- for by 2030
- We will listen to and work with residents to act on their concerns

These core policies are also broken down to provide a series of themes around which delivery will be organised. For the climate and ecological emergency commitment, these themes: are biodiversity, air, climate, water, soil, land and environmental assets, and materials and resources. For our commitment relating to giving people a bigger say these are: equality and respect, community priorities and decisions informed by evidence.

(iii) We have **three** principles – preparing for the future, delivering for local residents and focusing on prevention. These are retained and the following commitments attached to them.

- a. **preparing for the future** – we will work towards a resilient, sustainable, economy that is fair, green, creative and connected
- b. **delivering for local residents** – we will continue to improve front-line services across our communities, whilst protecting the most vulnerable
- c. **focusing on prevention** – we will invest in prevention across all services to tackle inequalities and improve local areas

3.5 Within this framework, the Strategy also introduces nine priorities which set out how people's lives will be improved through its delivery. These are reflective of the ambitions of the new administration, elected in May, and build upon the current strategy. They are:

- **The right homes in the right places**
- **More travel choices**
- **Clean, safe and vibrant neighbourhoods**
- **Support for vulnerable adults and children**
- **Delivering for our children and young people**
- **Healthy lives and places**
- **Good jobs**
- **Skills to thrive**
- **Cultural life**

3.6 All of these elements are brought together in a clear outcomes framework set out in the Strategy document. They reflect aims for our area which contribute to delivering a number of shared outcomes with our partners, working through the Future Ambition Board and the Health and Wellbeing Board. These include tackling inequalities (such as in educational attainment and health), improving housing affordability and widening travel choices.

3.7 The outcomes framework provides a clear way of assessing plans and activities; drawing on the 'doughnut economics' model it contains:

- A climate, ecological and environmental ceiling – linked to the core policy of tackling the climate and ecological emergency
- A social and economic foundation- linked to the commitments identified for each of our three principles
- The "space" for local communities and organisations to collaborate and innovate- linked to the core policy of giving people a bigger say.

3.8 The outcomes framework enables policy and other decisions to be assessed clearly against the council priorities so that opportunities to improve people's lives can be maximised within the climate, ecological and environmental constraints. It also highlights the opportunities to work with local communities and third sector organisations through a focus towards area working.

3.9 As well as the Corporate Strategy and other council plans and strategies we also have those which are shared by partners. The relationship between these plans is also set out in the Strategy document,

3.10 The council's **four** values – bold, empowered, transparent and supportive continue to underpin all of the council's work.

4 STATUTORY CONSIDERATIONS

4.1 The Corporate Strategy is the council's overarching strategic document and forms a key part of the Policy and Budget Framework. It provides a clear framework for officers and members to work within. It aims to guide activity and decision making.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 The Corporate Strategy outlines the council's key priorities over the next 4 years. This forms a key consideration in the allocation of council resources as part of the annual budget setting process and development of the Medium-Term Financial Strategy.

6 RISK MANAGEMENT

6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision-making risk management guidance.

7 EQUALITIES

7.1 The draft Corporate Strategy Outcomes Framework 2023-2027 includes 'giving people a bigger say' as a core principle. As part of the detail of how the council will deliver this outcome, the Strategy calls for a focus across the organisation towards 'equality and respect' and to meet our statutory duties under the Equality Act. This is reinforced by the Equality Impact Assessment that has been developed in conjunction with the Strategy.

8 CLIMATE CHANGE

8.1 The draft Corporate Strategy continues to establish the climate and ecological emergency as a core policy driver for the council – with the expanded commitment to lead the UK in our response to the joint emergencies.

9 OTHER OPTIONS CONSIDERED

9.1 None

10 CONSULTATION

10.1 The Deputy Leader and Cabinet Member for Council Priorities and Delivery is attending the Area Forums to set out the priorities for the new administration, as set out in the draft Corporate Strategy.

Contact person	Ceri Williams Policy Development and Scrutiny Officer : 01225 396053
-----------------------	---

Background papers	
--------------------------	--

Please contact the report author if you need to access this report in an alternative format	
--	--

This page is intentionally left blank

CORPORATE POLICY DEVELOPMENT AND SCRUTINY PANEL

This Forward Plan lists all the items coming to the Panel over the next few months.

Inevitably, some of the published information may change; Government guidance recognises that the plan is a best assessment, at the time of publication, of anticipated decision making. The online Forward Plan is updated regularly and can be seen on the Council's website at:

<http://democracy.bathnes.gov.uk/mgPlansHome.aspx?bcr=1>

The Forward Plan demonstrates the Council's commitment to openness and participation in decision making. It assists the Panel in planning their input to policy formulation and development, and in reviewing the work of the Cabinet.

Should you wish to make representations, please contact the report author or, Democratic Services . A formal agenda will be issued 5 clear working days before the meeting.

Agenda papers can be inspected on the Council's website.

Ref Date	Decision Maker/s	Title	Report Author Contact	Director Lead
11TH JULY 2023				
11 Jul 2023	Corporate Policy Development and Scrutiny Panel	Call in - E3453 Entry Hill Depot Site	Simon Martin Tel: 01225 477407	Chief Operating Officer
11 Jul 2023	Corporate Policy Development and Scrutiny Panel	Corporate Strategy	Ceri Williams Tel: 01225 396053	Chief Operating Officer
19TH SEPTEMBER 2023				
14TH NOVEMBER 2023				
The Forward Plan is administered by DEMOCRATIC SERVICES: Democratic_Services@bathnes.gov.uk				