

Bob Goodman, statement to Corporate Panel on 21st April 2022 on 'Commercial Estate'

I wonder how many of you, having put themselves forward to what is undoubtedly the Council's most important Scrutiny Panel in that it includes the Council's Commercial Estate, have taken the trouble to walk around the Estate with a professional Surveyor to see the issues that the Estate is facing.

As many of you know, my professional career started nearly 50 years ago with what was the Estates Department of the then Bath City Council and, as I've said many times, that was perhaps then, the Premier Corporate Department of any Council in the Country earning so much income that the precept charge for Bath, in the Avon days, was NIL.

The problem with reports like the one which has been submitted to Scrutiny Panels, is, Officers tell you what they want you to hear, not what you need to hear.

I recall only too well, as Vice-Chair of this exact Scrutiny Panel in 2016, on receiving a report by Officers by an Independent Surveyor's review of the Commercial Estate that I had indeed asked for, the Report which came to the Panel was a complete 'white-wash'. I asked for the full Report rather than the few snippets which Officers would allow us, as elected representatives, to see.

I found this totally unacceptable and proposed, to the Panel, that we should be given the whole report and, if necessary, go into 'closed session'.

That Motion was passed, so, when a few days later, I asked for the Report, you will no doubt be surprised that I was refused it, as was the whole Panel.

I was given no reason why, apart, apparently, because I was a Chartered Building Surveyor. This was a fragrant breach of what elected members can expect from Officers, and I'm happy to expand on this if you wish me to do so.

I have never officially seen that report but urge you to press for its release to you and see if the recommendations have been implemented – I suspect you can guess for yourselves whether or not they have.

The Commercial Estate has been poorly run for many years under several Administrations of different political persuasions who have failed to examine exactly what has been happening – I wonder how many of you have seen the Commercial Estate's Priorities in this Report. You have to ask - why weren't the 7 recommendations already adopted. It says it all.

YOU must ask why these principals haven't been accepted over the last 10 years.

The 'profit' from the Estate has been used to reduce the Council's Tax Bill through Bath & North East Somerset, without any investment into the properties - they have been bleeding the Estate dry.

Any property company having the sort of Portfolio which Bath has, which I recall was worth in excess of £350 million, would be reinvesting sizeable sums into the maintenance and improvement of properties, but, sadly, even with the right leadership going forward, I suspect it will be far too late.

You may ask what do I want this Panel to do; well, it's quite simple – you must insist on a wholly independent review of the Commercial Estate without any interference AT ALL.

Yes, I accept there has been a Chartered Surveyor employed recently to report, but that has been under the umbrella of the current Officers and Administration and not totally independent.

There needs to be a root and branch review into how the Estate has failed to manage and indeed take forward the Portfolio to again become the financial envy of other Local Authorities.

When you see that the so-called independent Development Company (ADL) having Directors with earnings of over £160k, earning profits of may be a few million, but yet Directors controlling the Commercial Estate which HAD been earning profits of over £18 million, earning a fraction of that, you have to ask why!

It hurts me, as a resident and, even more as a Chartered Surveyor, to hear the way follow professionals in the City speak openly to me about how poorly the Estate is run.

I know I will make few friends with what I have said but, when you speak to people as I do, you would realise the way the in which the Estate has been managed is alarming to say the least.

The see that the Council has decided to change the leadership to give the overall responsibility of the Estate to what is an accountant is, quite frankly, ridiculous unless they have had considerable experience of running a Property Company.

I hope you will carefully consider what I have said and not be afraid of recommending to review what I have proposed.

Clearly, the way in which ADL has been allowed to expand beyond its original remit is, in my opinion, of major concern for this Authority. It has been a failure in so many ways and is there to fuel the huge salaries the Directors are drawing, without any financial risk, and having the benefit of a protected pension. This, in my opinion, is totally unacceptable.

They need to be taken back into the Council and wholly controlled by the Council and NOT be responsible for the repurposing of the Commercial Estate as being proposed.

Why do we need this Company to build Council Houses; in my time in the 1970s/80s, we used to build/convert 100+ flats/houses per year and didn't earn those salaries!

Please investigate these issues – you owe it to the residents to do so!

How much longer is the City Centre going to continue to suffer, empty shop after empty shop, dirty streets, broken paving slabs. We deserve a great deal more. I ask that you go into the press release of the Council trumpeting the letting of Commercial Property, see how many were vacant shops, how many were offices, and how many were re-lets.

There will be many who will politicize what I am saying, but this has nothing to do with politics, but its for the desire to see Bath treated in the way it should be.

Just look at what St John's, or the Southgate Development has done with their Portfolios and, perhaps, one can learn from them. They don't blame 'Covid'.

Bob Goodman FRICS