

Single Member Cabinet Decision

**Executive
Forward Plan
Reference**

E3580

Commercial Planned Maintenance

Decision maker/s	Cllr Elliott, Cabinet Member for Resources
The Issue	<p>Proposed capital reinvestment into income generating commercial properties within the Milsom Quarter Masterplan area, with the purpose of approving capital programme budget from provisional approval to full budget approval.</p> <p>The decision is taken under the Special Urgency rule 3.5.16 of the Council's constitution. The urgency relates to the need for securing a decision without delay as tenders for essential maintenance works are time limited and accordingly, they need to be contractually agreed within that time period. Furthermore, it will facilitate the agreement of lettings which are dependent upon this decision ensuring the ongoing use of key Council Commercial properties that will contribute to the economic sustainability and vibrancy of the Milsom Quarter.</p>
Decision Date	On or after 28th November 2024
The decision	<p>The Cabinet Member agrees to:</p> <p>Approve capital spending of £10m into properties within the Milsom Quarter Masterplan area.</p> <p>Allocate £502K Revenue Budget Contingency (within Corporate Budgets cash limit) to Commercial Estate of £13K 24/25, further £358K in 25/26 and £131K in 26/27.</p> <p>Delegate all lease decisions to the Head of Commercial Estate in consultation with the Executive Director - Resources (S151), Monitoring Officer and Cabinet Member for Resources.</p>
Rationale for decision	<p>The investment into commercial assets is a key part of the strategy for regenerating the Milsom Quarter. The proposal will provide the catalyst for significant regeneration projects with multiple direct and indirect social benefits in a key area of the city centre.</p>
Financial and budget implications	<p>A capital programme budget of £15m was provisionally approved by the Council for commercial asset re-investment covering 2024/25 to 2028/29. Approval of this capital budget is subject to approval of a business case including cost of borrowing repayment. The total cost of the proposed reinvestment is £10m which includes all works, professional fees and allowance for risk contingency. The reinvestment costs will be funded by borrowing.</p>

Issues considered	Customer Focus; Sustainability; Property; Equality (age, race, disability, religion/belief, gender, sexual orientation); Corporate; Health & Safety; Impact on Staff; Other Legal Considerations
Consultation undertaken	Overview & Scrutiny Panel Chair; Section 151 Finance Officer; Chief Executive; Monitoring Officer
How consultation was carried out	Cabinet report E3580 Advising the Chair of the Corporate Policy Development Overview and Scrutiny panel Regular meetings Property Review Board & Capital Strategy Board
Other options considered	A “do nothing” option in relation to reinvesting in the commercial assets has been assessed; “do nothing” would be detrimental to achieving sustainable net income from the Commercial Estate in future years. It would also lead to less successful outcomes for the Milsom Quarter Masterplan.
Declaration of interest by Cabinet Member(s) for decision:	None
Any conflict of interest declared by anyone who is consulted by a Member taking the decision:	None

Name and Signature of Decision Maker/s	Cllr Mark Elliott, Cabinet Member for Resources
Date of Signature	28 th November 2024
NOT Subject to Call-in	