



Overview and Scrutiny Committee

Thursday, 7th July, 2022

MINUTES

Present:

Councillor Bill Hartnett (Chair), Councillor Joanna Kane (Vice-Chair) and Councillors Salman Akbar, Imran Altaf, Michael Chalk, Brandon Clayton, Sid Khan, Timothy Pearman and Gareth Prosser

Also Present:

Councillor Joe Baker

Officers:

Peter Carpenter, Kevin Dicks, Claire Felton, Helen Mole and Chris Wells

Democratic Services Officers:

Jess Bayley-Hill and Gavin Day

25. ASSET RATIONALISATION FOR EASEMORE ROAD - PRE-DECISION-SCRUTINY (REPORT TO FOLLOW)

The Head of Legal, Democratic and Property Services presented the report in respect of declaration of land surplus to requirement at Community House, Easemore Road.

Officers reported that following a recent detailed condition survey and report, it was envisioned that over the following 5 years a minimum sum of £340,000 needed to be spent on planned preventative maintenance. Members were informed that the tenants, mainly from Voluntary and Community Sector (VCS) organisations, would be displaced and that alternative properties had been located for all the tenants.

Officers also informed members that Where Next, which occupied the site adjacent to the property, had been encroaching substantially on the site. Where Next were aware of this and understood the need to vacate this encroached area. To assist with this, Officers had agreed to work to improve accessibility to their entire site from their main entrance on Wellesbourne Close.

Chair

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Following the presentation of the report Members queried the following areas.

- The financial details, which Members suggested could have been improved in the report and members asked for further information about the financial data.
 - Officers confirmed that income for the Community centre was £17,000 in total, which was well below the market rate. In some cases, this was because tenants had originally taken up a lease as a meanwhile use, or temporary arrangement, that had subsequently been extended over the years.
 - The sum of £350,000 would be for repair work and was not intended for modernising or improving the building.
 - Officers confirmed that the capital receipt from the sale of the land would be far greater than the income for the building.
- The current tenants and if they had been found alternative accommodation. Officers replied that all tenants were VCS organisations and had all been found alternatives. The tenants included Talking Newspapers, Blue Whale Community Transport, Gemini Dance Studio and Home-start.
- The reasons why the building had been allowed to deteriorate to such a level with no intervention sooner. Officers replied that they had only recently undertaken a survey to assess the building. There was a planned assessment of the whole of the council's portfolio of buildings to identify which buildings to retain and which to dispose of. This would be to ensure there was a manageable portfolio for maintenance purposes.
- Reference was made to the climate change implications listed in the report and the energy performance certificate rating. Members enquired if that would be an A rating or a lower rating. Officers clarified that they would attempt to obtain the highest rating, however, until proposals had been made for the site it was unknown what would be possible and practical in terms of the energy rating.
- How many other properties had received a low level of income for their size. Officers informed members that they were reviewing other assets in the financial year to find other such properties.
- That there was very poor accessibility for disabled users to the community centre, especially access to the upper floors which was only possible via a staircase.
- The importance of the community centre to the local community.

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- Members commented that commercially sensitive information, regarding the anticipated capital receipt for sale of the site, should have been included in the report as an exempt appendix, rather than be omitted from the report altogether.
- Some Members expressed the view that a better solution would be to sell part of the site and use that income to improve the existing building.

During consideration of this item, Councillor Michael Chalk moved the recommendation as printed in the report and he also proposed the following additional recommendation:

“The Executive Committee consider the financial and social implications of using the land for social housing”

These recommendations were proposed by Councillor Chalk and seconded by Councillor Brandon Clayton.

In making this proposal, Members were asked to note that it would be helpful to explore the potential for the land to be used for social housing as part of the Council’s Housing Growth Programme. There was general agreement amongst Members that there was a need in the Borough for more social housing, including more Council houses to meet the needs of Redditch residents.

However, Members were advised that the site did not fall under the Housing Revenue Account (HRA), and the funding arising from sale of the land could not be vired from the general fund to the HRA. In addition, Officers working in the Housing Department had been consulted about the potential for this land to be used and had advised that this was not considered suitable for social housing. Officers had therefore concluded that the land would be more suitable for commercial development.

Members subsequently commented that it would be ideal if the council performed a survey of all the authority’s property assets and brought this forward as a whole rather than piecemeal. Members commented that it was difficult to make an informed decision when taking items one at a time. Instead, Members suggested that they needed to know where the properties and the communities they served were located.

In this context, Councillor Hartnett made the following proposal:

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“that the Executive Committee defer making a decision on the disposal of the land at Community House, Easemore Road, until a full review of Council assets had been completed.”

The recommendation was proposed by Councillor Hartnett and seconded by Councillor Altaf.

Officers informed members that it was important to understand that stock condition surveys could be financially costly. The Community Centre received a very low rent and the £350,000 maintenance costs would just be for emergency repairs and not investment in improvement works. Officers also reminded members that the tenants themselves were reporting that the building was not fit for purpose. Sale of the property would result in a capital receipt for the Council.

Some Members raised concerns that it would not be wise to postpone whilst reviewing all other assets due to problems with the building. However, other Members raised concerns that it would be inappropriate to make a decision on the disposal of the building at this time until further information regarding the review of the Council's assets was available.

On being put to the vote, the recommendation proposed by Councillor Hartnett and seconded by Councillor Altaf was carried.

Following the vote, Councillor Chalk raised the potential for a minority report and a majority report to be put forward by the Committee in respect of this matter. Officers advised that, as the Overview and Scrutiny Committee had not prepared a report but was, rather, making recommendations, this would not be possible on this occasion. However, it was agreed that a detailed minute should be drafted, to include reference to the proposals that were not taken forward.

RECOMMENDED that

the Executive Committee defer making a decision on the disposal of the land at Community House, Easemore Road, until a full review of Council assets had been completed.

The Meeting commenced at 6.30 pm
and closed at 8.28 pm