

Time began: 5.33pm
Time ended: 6.02pm

COUNCIL CABINET
16 May 2016

Present Councillor Banwait (Chair)
 Councillors Afzal, Bolton, Eldret, Hussain, Repton, Rawson,
 Russell and Shanker

In attendance Councillors Hassall, Holmes, Poulter and Skelton
 Paul Robinson – Chief Executive
 Christine Durrant – Strategic Director Communities and Place
 and Deputy Chief Executive
 David Walsh – Head of Democracy
 Martyn Marples – Director of Finance
 John Sadler – Strategic Asset Manager

203/15 Apologies

There were no apologies.

204/15 Late Items

There were no late items.

**205/15 Identification of Urgent Items to which Call In will not
 Apply**

The following items had to be implemented with immediate effect and therefore been exempted from call-in on the grounds of urgency.

Item 6 – Cattle and Wholesale Market – Property Rationalisation Update (Minute no 207/15)

Item 8 – Cattle and Wholesale Market – Property Rationalisation Update (Minute no 209/15)

The Chair of the Corporate Scrutiny and Governance Overview and Scrutiny Board had agreed the matters could be treated as urgent items and therefore not subject to call-in.

206/15 Declarations of Interest

There were no declarations of interest

Matters Referred

207/15 Recommendations from Corporate Scrutiny and Governance Board

The Council Cabinet considered a report on Recommendations from Corporate Scrutiny and Governance Board. The Corporate Scrutiny and Governance Board met and discussed items contained within the Council Cabinet Agenda. The report enabled the views and recommendations resulting from these discussions to be formally shared with Council Cabinet. These were submitted to Council Cabinet as Appendix 2, prior to commencement of the meeting.

Decision

To receive the report and consider the recommendations alongside the relevant report.

Key Decision

207/15 Cattle and Wholesale Market – Property Rationalisation Update

The Council Cabinet considered a report which stated that as part of the Property Rationalisation Programme a service review of the Cattle and Wholesale Market was undertaken in June 2015.

The review identified that the Cattle Market made an operational loss for 2014/15 of approximately £188k p.a. and that the Wholesale Market made an operational loss in the same period of approximately £94k. It was also noted that whilst the losses may vary from year to year the overall tone of them was likely to increase.

Council Cabinet on 15 July 2015 resolved that the Cattle and Wholesale Market be redeveloped to support the delivery of the City Centre Master plan and that the various buildings on both the Cattle and Wholesale Market be demolished once the existing leases had ended.

In addition Council Cabinet accepted the recommendation of the Corporate Scrutiny and Governance Board that tenants, businesses and other parties be given the opportunity to make viable business proposals which offered a sustainable future for the markets.

To protect the Council's interest and also allow interested parties to put forward any proposals for the market a twin track approach was adopted. This involved concurrently running an Expressions of Interest (EOI) exercise, allowing interested parties to submit their proposals in a consistent and structured way and also the servicing of notice on the relevant tenants, allowing the Council to obtain vacant possession of the site if no suitable expressions of interest were submitted.

Four expression of interest were subsequently submitted and assessed.

The report sought approval to the outcome of the expression of interest exercise details of which were contained in the confidential report submitted to this meeting.

The Corporate Scrutiny and Governance Board recommended that

- a) The final public version of the report and agreed recommendations should include detail on the reasons for bids being unsuccessful as outlined in paragraphs 4.10, 4.11 and 4.12 of the exempt report, without revealing the names of those bidders, in order to better explain the council's position;
- b) The report should offer a clear recommendation in relation to paragraph 4.12 of the exempt report.
- c) Should no bids be considered successful to maintain operation of the Cattle and Wholesale Markets, a further option to consider sale of the site with the buildings remaining in situ be considered prior to any demolition works;
- d) Splitting the sale of the wholesale and cattle markets into two separate redevelopment opportunities is considered.
- e) Planning conditions, terms or obligations should be included in any agreement to encourage timely completion of works if the site is sold for redevelopment; and
- f) Any future reports on property rationalisation should have any policy/strategy document amended for consideration alongside relevant decisions.

Options Considered

Delaying the serving of notices until after the results of the EOI exercise was known. This would not allow the Council to obtain vacant possession of the site if no credible bids were received through the EOI process.

Decision

- 1. To approve the proposed course of action following the undertaking of the Expressions of Interest exercise, the details of which were set out in the confidential report.
- 2. To accept the following recommendation of the Corporate Scrutiny and Governance Board that
 - a) The final public version of the report and agreed recommendations should include detail on the reasons for bids being unsuccessful as outlined in paragraphs 4.10, 4.11 and 4.12 of the exempt report,

without revealing the names of those bidders, in order to better explain the council's position;

- b) The report should offer a clear recommendation in relation to paragraph 4.12 of the exempt report;
- c) Splitting the sale of the wholesale and cattle markets into two separate redevelopment opportunities is considered;
- d) Planning conditions, terms or obligations should be included in any agreement to encourage timely completion of works if the site is sold for redevelopment; and
- e) Any future reports on property rationalisation should have any policy/strategy document amended for consideration alongside relevant decisions.

3. To reject the following recommendation from the Corporate Scrutiny and Governance Board

- Should no bids be considered successful to maintain operation of the Cattle and Wholesale Markets, a further option to consider sale of the site with the buildings remaining in situ be considered prior to any demolition works.

Reasons

To support the delivery of the Council Plan.

208/15 Exclusion of Press and Public

To consider a resolution to exclude the press and public during consideration of the following item

“that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following item on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information”

209/15 Cattle and Wholesale Market – Property Rationalisation Update

The Council Cabinet considered exempt information in relation to the Cattle and Wholesale Market – Property Rationalisation Update.

Options Considered

These were set out in paragraph 5.1 of the report.

Decision

1. To note the outcome of the Expression of Interest exercise.
2. To reject on the grounds set out in paragraph 4.11 of the report the Expression of Interest submitted on the Cattle Market and to authorise the demolition of the Cattle Market once the leases have ended.
3. To authorise officers to undertake further due diligence work in respect of the bid submitted on the Wholesale Market, such work to be concluded by no later than 21 June 2016 and to delegate authority to the Chief Executive following consultation with the Leader of the Council, either to approve the bid for the Wholesale Market or to authorise the demolition of the Wholesale Market once the existing leases have ended.
4. To agree that the Cattle and Wholesale markets are surplus to the Councils current requirement and that they are put on the disposals list.
5. To delegate authority to the Chief Executive, following consultation with the Leader of the Council, to approve the detailed terms for the disposal of the two properties.
6. To commission Cushman and Wakefield to advise the Council on the best method to dispose of the Cattle and Wholesale markets.
7. To authorise the implementation of the required security and other measures on each of the sites as appropriate.

Reasons

These were set out in paragraphs 3.1 to 3.5 of the report.

MINUTES END