

Overview Scrutiny Committee

Monday, 21 May 2018

7.35 pm

Present:

Cllr John Burden (Chair)
Cllr Conrad Broadley (Vice-Chair)

Councillors: Lee Croxton
Gary Harding
William Lambert
Sara Langdale
Makhan Singh
Jenny Wallace
Michael Wenban

Note: Councillor Alan Ridgers was also in attendance.

David Hughes	Chief Executive
Nick Brown	Director (Environment & Operations)
Kevin Burbidge	Director (Housing & Regeneration)
Melanie Norris	Director (Communities)
Sarah Parfitt	Assistant Director (Corporate Services)
Jan Guylar	Head of Legal Services, Medway Council
Vicky Nutley	Assistant Head of Legal Services, Medway Council
Elizabeth Thornton	Property Services Manager
Michelle Batstone	Corporate Change Manager
Simon Walsh	Digital Communications and Elections Manager
Ashley Wilcox	Communications Manager
Carlie Simmonds	Committee Services Manager

Note: Martin LeGrice, representative of Jones Lang LaSalle, was also in attendance.

63. Apologies

An apology for absence was received from Cllr Leslie Hills and Cllr Gary Harding attended as his substitute.

64. Minutes

The minutes of the meeting held on 5 April 2018 and 3 May 2018 were signed by the Chair.

65. Declarations of Interest

Cllr John Burden informed the Committee that he was a Director of Kuflink who currently occupies the old Blockbuster building which forms part of the proposals. Cllr Burden had sought legal advice with regards to his position and had been informed that he was not required to declare any interests at this stage. Cllr Burden will continue to review his position.

66. Exclusion

Resolved pursuant to Section 100A(4) of the Local Government Act 1972 that the public be excluded during the following item of business because it was likely in view of the nature of business to be transacted that, if members of the public were present during this item, there would be disclosure to them of exempt information.

67. To consider a report in respect of the disposals and acquisition of interests in land belonging to the Council and the redevelopment of land belonging to the Council.

Further to minute 60 (03.05.2018), the Overview Scrutiny Committee was presented with a report which sought approval for the progression of the proposals outlined within the report in relation to the St Georges Centre and to grant an exclusivity period to Reef Estates in relation to progression of the proposals for the Eastern and Western Quarters (the Heritage Quarter).

The Overview Scrutiny Committee noted the information contained within the report which included indicative detailed financial information and the need for this to remain confidential at this stage for reasons of commercial sensitivity whilst negotiations continue.

The Chair informed the Committee that the Cabinet was 'minded to' agree the following recommendations and therefore the Overview Scrutiny Committee had been given the opportunity to scrutinise the proposals prior to the formal decision being made. The formal decision would be made under the urgency provisions set out within Annex 2.5 of the Constitution (Scrutiny Procedure Rules) and would not be subject to call-in:-

1. the Council entering into the necessary legal agreements to give effect to the funding principles set out within section five of the report;
2. the Council adopting the proposal to 'ring-fence' the capital investment fund set out within the report to provide additional funding in future years should the forecast rental income not be realised;
3. the Council entering into an Exclusivity Agreement with Reef Estates Limited in relation to the Eastern & Western Quarters, as outlined in section eight of the report;
4. Members granting delegated authority to the project team led by the Chief Executive and Director (Corporate Services) (in the role of S151 officer) in consultation with the Leader and Chair of Overview Scrutiny Committee, and also in conjunction with the Council's Property, Finance and Legal teams to take all necessary practical, financial and legal actions required, including financial adjustments required in connection with remedial works required to the centre; and
5. the Council terminating the Development Agreement between the Council and Queenridge Properties Ltd/Edinburgh House and note the assignment of the head-lease from Queenridge Properties to Reef/Aviva.

The Chair invited questions from Members which were answered by the officers and external consultant.

The Committee felt that it had been kept abreast of the project and had previously raised areas for consideration.

Resolved that the Overview Scrutiny Committee support the Cabinet's decision to approve the recommendations as set out in the report and detailed above.

Close of meeting

The meeting ended at 8.37 pm