

Decision Notice (date 17 November 2022)

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This document lists the decisions taken by Cabinet at a meeting held on Thursday, 17 November 2022. The list covers key and non-key decisions. A decision may be implemented with immediate effect, unless it is eligible for call-in as identified below, whereupon a decision will not be implemented until five working days have elapsed.

Agenda Item No	Decision	Reasons for Decision	Any Options Rejected?	Declared Conflict of Interest	Eligible for call in?
A1	<p><u>Potential Acquisition of Town Centre Property</u></p> <p>Key decision? Yes</p> <p>RESOLVED that Cabinet recommended to Full Council that:</p> <ul style="list-style-type: none"> A The acquisition of the property referred to in the report be approved for not more than the maximum amount shown in section 6 of the report on an unconditional basis to facilitate the Council's regeneration strategy for Harlow town centre. B The procurement of legal, property, surveyor, valuation and specialist advisers to support full due diligence on 	<p>A To enable the property to be purchased and be used to facilitate the wider regeneration of Harlow Town Centre. Taking control of the property could allow the Council to bring forward a programme of potential development opportunities, crucially kick starting the regeneration of the town centre to stimulate confidence, which will in turn allow other developments to come forward via the private sector. However, in the context of the Council's aspirations for Harlow Town Centre, if the Council were not to purchase, the likely purchaser for the</p>	None	None	No

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	<p>the acquisition, and the associated fees payable as set out in the report, be approved.</p> <p>C The procurement, via the Crown Commercial Services framework, of Savills (as Property Manager) and Montagu Evans (as Asset Manager) be approved, conditional upon the acquisition of the property, for an initial period of two years. The costs associated with the management services have been factored into the financial appraisal.</p> <p>D Authority is delegated to the Chief Executive to complete the purchase of the property.</p> <p>E The financing for the purchase and associated costs as set out in the report is approved and that the Capital Programme, Capital Strategy and associated documents are amended to reflect this capital acquisition.</p>	<p>property is unlikely to have a strategic long-term vision and struggle to justify impactful improvements outside the 'red line' of their ownership. They would only be looking to extract maximum return and often will not commit the investment or capital expenditure ('Capex') required to ensure the future and longevity of the town centre. Therefore, the risk is that these investors are highly unlikely to proceed with any substantial development with low ambitions for their purchases, save for extracting maximum income for minimum capital expenditure. Therefore, stalling development and frustrating regeneration for 5 - 10 years.</p> <p>B To enable appropriately qualified managers to be procured to ensure the property is well run and</p>			

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	<p>F Authority is delegated to the Deputy Chief Executive and Director of Finance to make the final arrangements for the borrowing associated with the purchase.</p>	<p>supports the Council's objectives. Montagu Evans (ME) have vast amount of expertise in asset management of several similar shopping centres and in town centre regeneration particularly of this nature. ME have already a detailed understanding of the asset having actively developed the business plan which leaves them very well positioned to deliver on the Council objectives for the scheme. Savills provide an experienced Property Management (PM) team managing a large portfolio on behalf of customers. They are the incumbent PM team on the property with a great track record within Harlow in driving social value during their tenure at the property. Savills remaining as PM will allow for continuity and operational seamlessness on a day-to-day basis. Both</p>			

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		<p>Consultants will have 2-year contracts to allow for a full procurement to be complete for longer term arrangements.</p>			