

## **CABINET MEMBERS REPORT TO COUNCIL**

**14 July 2022**

**COUNCILLOR ADRIAN LAWRENCE - CABINET MEMBER FOR PROPERTY**

For the period April to July 2022

### **Progress on Portfolio Matters.**

I am pleased to report that we have commenced marketing of a residential development site at Burnham Market, that I have referred to in a previous council report earlier in the year, using a local/regional agent to help stimulate expressions of interest. We have brought forward this site following consultation with the local Parish Council and the local Ward Member and we have sought to strike a balance between the level of potential capital receipt and the form of development and housing type that will be delivered. We are seeking offers from developers who will develop out the site in accordance with the planning permission secured by the Property Services Team. We are seeking offers above £1,000,000 and requested that sealed offers are submitted by 29th July 2022.

Capital Receipts such as those mentioned above are important to the Council as they help to fund our Capital Programme and reduce our need to borrow funds. The Property Team has also recently completed a land sale at St John's Business Estate in Downham Market the development of which will be funded and managed by the private sector. With regard to future land sales and capital receipts the Property Team is looking at a number of other sites across the borough, however, the team has made a particularly significant move forward in helping to set up a series of potential future land sale transactions at the Nar Ouse Regeneration Area Enterprise Zone (NORAEZ). The Property Team has been working with Norfolk County Council (Highways) and have recently tendered for the delivery of the necessary road and utility infrastructure works to open up a significant swathe of commercial development land. It is important for council colleagues to note that these infrastructure costs will be recouped over time following our striking a deal to retain a greater proportion of the Business Rates generated from the NORAEZ site. I am anticipating works commencement in August/September and the construction contract should run for approximately 36 weeks. I understand that this issue was discussed at a recent Member Major Projects Board (MMPB) meeting, and should the Board Members require a more detailed briefing I will instruct the Assistant Director Property & Projects accordingly.

### **NORAEZ (Nar Ouse Regeneration Area Enterprise Zone)**

The Property Team is dealing with a number of enquiries for development sites, as well as for the speculative offices and light industrial units under construction, at the NORAEZ. In my view the opening up of the NORAEZ with the necessary infrastructure is critical for this council, not only in generating capital receipts, but it will also stimulate significant levels of, mainly private sector, investment with organisations constructing facilities for their business activities and then operating thereafter within our local economy.

With regard to other project-related activities that the Property & Projects department is dealing with :

#### **Sommerfeld & Thomas and Former Grain Silo Site :**

We have commenced ground investigation works on both sites so that we have a proper understanding what will be necessary when the sites are brought forward for development. These works form part of the important “de-risking” process and will feed into the design (and costing) process. We have successfully tendered for the demolition works to the large 1950’s/1960’s portal frame warehouse structure to the rear of the historic Sommerfeld & Thomas quay front warehouse – and the tender submissions have come in just about on budget which is positive considering the cost price inflation that is being experienced currently.

In addition to the above, as part of the proposed demolition process, it has been necessary for us to deal with a number of Party Wall Act issues in respect of the (some significantly) Listed buildings in close proximity to the site. We are in dialogue with the adjacent owners and will deal with these issues, and the owners, in as sensitive a way as is possible.

#### **Town Deal :**

Although Town Deal is within the remit of one of my Cabinet colleagues, the Property & Projects Team is involved with the Guildhall proposals and the Assistant Director Property & Projects is leading on the Riverfront Regeneration Project element of the Town Deal Programme.

The Riverfront project has been redefined and the scope reduced to a more manageable scale with focus now directed at the Custom House, Purfleet area, King Staithe Square, and part of the former Grain Silo site. Preliminary design and adaptation proposals for these areas is currently being considered by our colleagues on the Town Deal Board and by Cabinet colleagues.

#### **Princess Theatre, Hunstanton :**

Planning Permission has now been secured for the roof replacement works following completion of the design and specification of the works. The Procurement Team has now been instructed to advertise the contract. It is anticipated that the works will commence sometime towards the end of September, once the main trading/holiday season is over.

We are liaising with our tenants of the Princess Theatre in respect of the letting of the contract and the various Health & Safety issues that need to be complied with in such an operational building.

The Council's commercial property portfolio continues to perform well although one of our town centre retail tenants has vacated their premises after many years. The Property Team tried to renegotiate lease terms, however, the business owners had already decided that they no longer wished to carry on trading. In previous Council Reports I have highlighted the issue relating to the level of commercial rent arrears that have mainly accrued owing to the Covid-19 Pandemic. Councillors may recall that I set out that Central Government had provided Business Tenants with a degree of protection temporarily from their commercial landlords (from seeking possession etc for non-payment of rent) within the Coronavirus Act 2020. A new Act has now come into effect, the Commercial Rent (Coronavirus) Act 2022, which now sets out a framework for commercial landlords and their tenants to resolve the rent arrears situation. We have worked with the Finance Team to separate out pre-Covid, Covid, and post-Covid rent arrears and we will be progressing a programme of work to address these issues.

**Meetings Attended etc**

Cabinet meetings  
Cabinet Briefings  
Cabinet Siftings  
Portfolio Meetings with Officers  
Phone calls with Officers