

**BOROUGH OF REIGATE AND BANSTEAD**  
**COMMERCIAL VENTURES EXECUTIVE SUB-COMMITTEE**

Minutes of a meeting of the Commercial Ventures Executive Sub-Committee held at the Remote - Virtual Meeting on 2 July 2020 at 6.30 pm.

Present: Councillors T. Archer (Chairman), V H Lewanski (Vice-Chair), M. A. Brunt (Leader) and T Schofield.

Also present: Councillors N. D. Harrison, S. T. Walsh, S. Sinden and R. Michalowski.

**1. ELECTION OF CHAIRMAN**

RESOLVED that Councillor T Archer be appointed Chair of the Commercial Ventures Executive Sub-Committee for the Municipal Year 2020/21.

**2. ELECTION OF VICE-CHAIR**

RESOLVED that Councillor V Lewanski be appointed Vice-Chair of the Commercial Ventures Executive Sub-Committee for the Municipal Year 2020/21.

**3. APOLOGIES FOR ABSENCE**

There were no apologies for absence.

**4. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**5. MINUTES OF THE PREVIOUS MEETING**

RESOLVED that the minutes of the meeting held on 11 May 2020 be approved as a correct record and would be signed as soon as reasonably practical.

**6. MARKETFIELD WAY UPDATE JULY 2020**

Cllr Archer introduced the Property and Construction Consultant from Gardiner & Theobald.

*Clerk's Note: The meeting moved to Part 2 section of the agenda to consider the exempt information before returning to Part 1.*

The Council continued to make significant progress to bring forward Marketfield Way and was now in a position to enter into a formal building contract with Vinci Construction UK Ltd and a variation to a pre-sale agreement with Delph in accordance with the terms set out in the exempt Part 2 of the report.

The Council had acquired all land and property rights at the site and had achieved vacant possession. The public highway and car park had been closed. The enabling works had progressed which included the demolition of buildings, diversion of statutory services and commencement of piling.

The severe economic uncertainty that had been created by COVID-19 had affected the Council's ability to finalise terms with commercial tenants and the consideration of how the Council intended to mitigate against the effects of Covid-19 were set out in the exempt Part 2 of the report.

Cllr Brunt confirmed the project was an important investment for economic recovery for Redhill.

**RESOLVED** that:

- i) the significant progress that has been made to conclude stage 3 of the project since the last report to Executive in December 2019, was noted.
- ii) the Director of Place Services, in consultation with the Leader, Deputy Leader and Executive Member for Place and Economic Prosperity, be authorised to now enter into:
  - a building contract with Vinci Construction UK Ltd in accordance with the contract sum and terms provided in Part 2 of this agenda;
  - a deed of variation to a pre-sale agreement with Delph in accordance with the terms provided in Part 2 of this agenda
- iii) the Director of Place Services, in consultation with the Leader, Deputy Leader and Executive Member for Place and Economic Prosperity, be authorised to make any necessary changes to the terms or contract sums provided that they are within the financial parameters in part 2 of this agenda, before entering into the building contract and deed of variation;
- iv) following the CVESC noting the exempt information in Part 2 of the report and (ii) above, the Head of Place Delivery, now progresses stage 4 of the project, including the implementation and construction of the development, in accordance with the exempt information provided in Part 2 of this agenda.
- v) delegations previously authorised to the Head of Property in all previous reports to Executive, in relation to Marketfield Way, are now made by the Head of Place Delivery.

**Reason for decision:**

The Council had continued to make significant progress to bring forward Marketfield Way and was now in a position to enter into a building contract and a variation to a pre-sale agreement in accordance with the terms set out in Part 2 of this report.

**Alternative Options:**

- i) To complete the enabling works only and delay entering into a building contract until there is improved economy certainty. This was not the recommended option as it could effectively mothball the site for an undetermined period of time. This could result in a substantial delay in bringing forward the development and would lead to increased construction costs. It would also delay bringing forward a large and vacant site at the heart of the town centre, which would not bring confidence in Redhill as a place to invest and would lead to a loss of grant funding.

- ii) To complete the enabling works and dispose of the site which would result in a capital receipt being obtained for the site. This was not the recommended option as it would result in substantial delays in bringing the development forward as it was expected to take some time to secure an investor, who may wish to make substantial changes to the development. Disposing of interests in the site was likely to reduce the anticipated revenue income and potential capital receipt to the Council as set out in the exempt report in Part 2 of the agenda and limit the control of the Council in securing regeneration benefits for the town. The ability of the Council to help regenerate Redhill would also be lost. PostCovid-19, the opportunities to dispose of a mixed retail site were considered to be limited.

## **7. EXEMPT BUSINESS**

**RESOLVED** that members of the Press and public be excluded from the meeting for the following item of business under Section 100A(4) of the Local Government Act 1972 on the grounds that:

- i. it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act; and
- ii. the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

## **8. MARKETFIELD WAY UPDATE 2 JULY 2020 - EXEMPT**

**RESOLVED** that the exempt information in relation to the Marketfield Way Update report be noted.

## **9. ANY OTHER BUSINESS**

There was no other urgent business to consider.

The Meeting closed at 7.43 pm