

Property Investment – Update

Annexe 1

Proposals considered by Property Investment Advisory Board (PIAB)	Executive/Property Investment Advisory Board (PIAB) date	Status
Wey Hill, Haslemere	08/07/2020 – agreed commissioning of a detailed development for the site	2 nd stage feasibility report received from Montagu Evans November 2020. Options being assessed including financial implications.
Fairground car park Haslemere		Options appraisal received for a mixed use scheme.
Weydown Lane Car Park Haslemere		Options appraisal received for a residential and decked car parking scheme. Recent discussions have suggested looking at the 3 Haslemere sites together to afford the best option to provide a revenue for the General Fund, car parking and much needed Housing. Being progressed by officers.
Broadwater Park	08/07/2020 – agreed commissioning of a further detailed options appraisal	Inception meeting held with Montagu Evans 28/09/20 for options appraisal. Mediation ongoing negotiation. Awaiting vacant possession.
Red Cross building, Godalming purchase	08/07/2020 – purchase of freehold building with tenant	Purchase completed. Tenant paying £40k rent. New Lease being negotiated with flexibility.
Wey Court East	08/07/2020 and 01/07/2020 – considering a range of uses including: <ul style="list-style-type: none"> • Residential conversion • Co working space • Doctors Surgery • Disposal 	<p>Interest from a range of potential occupants being explored. The forefront is the ongoing discussions with the NHS for the building to be let on a full repairing and insuring basis to a local doctor's surgery for a 20 year term. Scope for compatible uses being located in additional available space, likely ground floor, such as flexible working space for council offices and/or affiliated services - which could create additional income.</p> <p>Interest still current from Boutique type office space operator who wishes to create an up market office space to appeal to the office workers who do not wish to work at home</p>

		permanently or commit to long term leases and wish to have face to face meetings with colleagues and network with other businesses in comfortable surroundings with access to high quality facilities. This operator was keen pre Covid and still feels that Farnham is ideal for their operation which is currently flourishing in Oxford and Bath but not so much in London.
Nuffield Lease Regear*	28/07/20 – lease regear in exchange for capital sum agreed	Progression stalled by Nuffield as not priority in current leisure climate
The Burys Development	28/07/20 – PID approved	Tender for options appraisal undertaken December 2020. Due to the large number of responses returns expected to be evaluated by the end of January by the Evaluation Team. Working group set up to address how the council wishes to operate.
Out of Borough acquisition of retail food store	PIAB 13/10/2020 – agreed to progress proposal and make recommendation to Executive	Acquisition of store completed 1 December 2020.
Easement at Loxwood Road /Chilton Close Alfold	Documentation prepared for Feb 2021 Executive	
<p>*This would secure additional £240k pa income from £2.5m capital outlay</p> <p>In addition to the above specific cases, the PIAB will review the Property Investment Strategy, approved by Council in February 2020, in line with the latest PWLB guidance and in light of Covid impact and current market conditions. This work will be progressed through the appropriate governance route in the coming months.</p>		
Other potential opportunities being explored		Status
Supermarket site – in Borough	PIAB agreement to assess further	Off market opportunity- figures being worked up with external consultants

Retail Park in Borough	PIAB aware of opportunity	Industrial Potential / Regeneration potential – being investigated currently
New retail development – out of Borough	To be reported to PIAB when more details available	Awaiting further information.
Enterprise Centre – out of Borough but in area of economic influence	PIAB discussion ongoing.	Complex acquisition as not built yet, awaiting further details from advisors. Currently PIAB have dismissed due to risk profile but may be reviewed if position changes significantly.
Other supermarket interest in Borough	PIAB aware of opportunity	Being explored with officers
Two trade counter units – out of Borough but in area of economic influence	Identified by Montagu Evans as coming to market	Being explored with officers
Investigating potential opportunities within Borough to add value to the portfolio or land bank for future use		We are identifying options with Montagu Evans. Approaches are being made off market and PIAB will be kept up to date with progress once we have carried out the initial process of analysing the criteria against our requirements.
Progress being made with 2 Suitable Alternative Natural Green Space (SANG) opportunities within Borough		Progress being made by officers on 2 sites

Nine further acquisition opportunities are being explored. Not yet at the stage of being able to report with high degree of certainty about outcomes in terms of volume, values or timing.

Seven opportunities have been explored and either rejected as not in line with Council's strategy or they were withdrawn from the market

Other Non-PIAB investment/regeneration property schemes

Brightwells Yard	Approval to proceed in 2016. SCC will own and operate the commercial lettings. Not currently being considered by PIAB	<p>Overview The Brightwells scheme continues to progress since starting back on site in July 2020 after a three month shut down period.</p> <p>Work on site Work is progressing well with both residential and commercial units taking shape. The car park is at its highest level with only the roof to go on, and the structure of M&S is nearly complete. Legal agreements are progressing for next steps to complete highways works off site.</p> <p>Timeline Since starting back on site, Crest have re-programmed the work to ensure that key areas stay as close as possible to original timelines for opening. Centre Opening is now programmed for July 2021 (previously March), with the Cinema opening in August 2021.</p> <p>Some units of housing will be delivered next year with the first block delivered to Metropolitan Thames Valley Housing Association in June 2021. Ongoing risks to this programme should there be further restrictions imposed re Covid and bad winter weather.</p>
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