

Coventry City Council

Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 8 October 2019

Present:

Members: Councillor G Duggins (Chair)
Councillor A Khan (Deputy Chair)
Councillor K Caan
Councillor P Hetherton
Councillor T Khan
Councillor K Maton
Councillor J Mutton
Councillor M Mutton
Councillor J O'Boyle
Councillor P Seaman

Deputy Cabinet Members Councillor P Akhtar
Councillor B Gittins
Councillor G Lloyd
Councillor D Welsh

Non-Voting Opposition Members: Councillor A Andrews
Councillor G Ridley

Other Members: Councillor N Akhtar
Councillor R Brown
Councillor J Clifford
Councillor R Lakha
Councillor J McNicholas
Councillor C Thomas

Employees (by Directorate):

Chief Executive's M Reeves (Chief Executive),

People G Quinton (Deputy Chief Executive (People)), D Ashmore,
A Errington, N Hart, P Ward

Place M Yardley (Deputy Chief Executive (Place)), B Hastie,
G Hood, P Jennings, L Knight, R Moon, J Newman, S Weir

Apologies: Councillor R Ali

RECOMMENDATION

38. **B&M Stores, Ansty Road, Walsgrave, Coventry - Investment Acquisition**

The Cabinet considered a report of the Deputy Chief Executive (Place), which set out proposals for the investment acquisition of Band M Stores, Ansty Road, Walsgrave, Coventry.

A corresponding private report was also submitted to the meeting setting out the commercially confidential matters of the proposals. (Minute 41 below refers.)

The Council is committed to investing capital receipts in order to increase revenue income, supporting services it seeks to deliver. An opportunity has been presented to the Council to acquire property to create income.

The property comprises a purpose built A1 (non-food) stand alone, first generation former Focus DIY / Homebase Store retail warehouse unit. The building is constructed with a steel portal frame and clad with a combination of materials but predominantly cavity brick and blockwork / profile metal cladding to the elevations. There is a customer car park to the front access directly from Ansty Road, with a concrete service yard to the rear. Customer car parking extends to approximately 160 spaces, providing a parking ratio of 1:18 sqm (1:195 sqft) and a separately accessed service yard and staff parking area to the rear.

The property provides approximately 2907 sqm (31,300 sqft) of internal accommodation, much of the accommodation being on the ground floor providing the trading space, with a small area of accommodation at first floor. The total site extends to 2.28 acres

The property is currently let to B&M Retail Limited for a term of 15 years from 8th December 2014, expiring on 7th December 2029 leaving an unexpired term of just over 10 years.

The report indicated that the Council already owns just under 50% of the site which is let out on two ground leases generating a total of six pence per annum. The opportunity is to acquire the Freehold land adjacent and benefit from the income generated from the occupational lease to B&M Stores.

The Cabinet agreed to:

1. Approve in principle the acquisition of the freehold interest subject to a leasehold tenancy, in land at Ansty Road, Coventry as shown on the attached plan 1 for a sum identified in the private report.
2. Delegate authority to the Deputy Chief Executive (Place) following consultation with the Director of Finance and Corporate Services and the City Solicitor to undertake the necessary due diligence, negotiate and finalise the terms of the acquisition of the properties and to complete all necessary legal documentation to facilitate the completion of the purchases.
3. Delegate authority to the Deputy Chief Executive (Place) following consultation with the Cabinet Members for Jobs and Regeneration and

Cabinet Member Strategic Finance and Resources for any subsequent variation in terms.

RESOLVED that, the Cabinet recommend that Council approve the necessary adjustment to the Capital programme to reflect the capital expenditure incurred in the acquisition of the Ansty Road interest.