

# BIRMINGHAM CITY COUNCIL

**CABINET COMMITTEE –  
PROPERTY MEETING  
THURSDAY, 24 OCTOBER  
2024**

**MINUTES OF A MEETING OF THE CABINET COMMITTEE - PROPERTY  
HELD ON THURSDAY 24 OCTOBER 2024 AT 1530 HOURS IN  
COMMITTEE ROOM 6, COUNCIL HOUSE, VICTORIA SQUARE,  
BIRMINGHAM, B1 1BB.**

**PRESENT:** - Councillor Sharon Thompson, Deputy Leader in the Chair

Councillor Jayne Francis, Cabinet Member for Housing and Homelessness  
Councillor Sharon Thompson, Deputy Leader and Cabinet Member for  
Economy and Skills

**ALSO PRESENT:-**

Councillor Ewan Mackey, Deputy Leader of the Opposition (Conservative)  
Councillor Deborah Harries, (Liberal Democrat)  
Phil Andrews, Head of Operational Property Management  
Ian Chaplin, Head of Service, Investment and Valuation  
Philip Nell, Director for Property and Investment  
Mohammed Sajid, Assistant Director Financial Strategy  
Sushil Thobhani, Head of Law, Property, Planning & Regeneration  
Errol Wilson, Committee Team Leader

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**NOTICE OF RECORDING/WEBCAST**

71. The Chair welcomed attendees and advised, and the Committee noted, that this meeting will be webcast for live or subsequent broadcast via the Council's Public-I microsite ([please click this link](#)) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

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**APOLOGIES**

72. Apologies for non-attendance were submitted on behalf of Councillors John Cotton, Karen McCarthy, Robert Alden (but Councillor Ewan Mackey as substitute).

**DECLARATIONS OF INTERESTS**

73. The Chair reminded Members that they must declare all relevant pecuniary and other registerable interests arising from any business to be discussed at the meeting.

If a disclosable pecuniary interest is declared a Member must not participate in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If other registerable interests are declared a Member may speak on the matter only if members of the public are allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If it is a 'sensitive interest', Members do not have to disclose the nature of the interest, just that they have an interest.

Any declarations will be recorded in the minutes of the meeting.

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**MINUTES**

74. **RESOLVED:** -

The Public and Private Minutes of the meeting held on the 12 September 2024, having been previously circulated, were confirmed and signed by the Chair.

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**EXEMPT INFORMATION – POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC**

The Chair advised that the report at Agenda item 7 contained exempt appendices within the meaning of Section 100I of the Local Government Act 1972.

The Chair then enquired whether there were any matters that Members would like to raise on the exempt appendices that may affect the decision to be made or to ask for clarification on a point on the exempt appendices.

Members of the Committee indicated that they did not have any questions to raise in relation to item.

The Chair advised that the meeting would continue in public session.

75. **RESOLVED:**–

That, in accordance with Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting during consideration of those parts of the agenda designated as exempt on the grounds that it is likely, in

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view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information.

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### **DISPOSAL OF SURPLUS PROPERTIES**

The Committee considered a report concerning the *Disposal of Surplus Properties*. The Head of Operational Property Management highlighted that this was a report to declared surplus and brought forward a range of Council properties, buildings and land that were no longer required for City Council purposes. The sale of these properties would generate valuable capital receipts to the City Council's financial recovery plan and enabled the Council to exited liabilities in terms of the vacant buildings and land and associated costs and brought forward economic reuse of said land and buildings.

The Head of Operational Property Management noted the Member's comments concerning *67 Sutton New Road, Erdington* the *Former Erdington Baths, Mason Road, Erdington* and *Coleshill Road Nursery* and made the following statements:-

In respect of *67 Sutton New Road, Erdington* representations were had from the two local councillors in respect of the two Erdington Ward lots. He added that in relation to the *Former Erdington Baths, Mason Road, Erdington* if there was an opportunity to update the paperwork to include both local councillors this would be done as they both stated similar things. The Head of Operational Property Management stated that we would work with the planners concerning *67 Sutton New Road, Erdington* for the most appropriate form of development and use in the locality. This was partly driven by whether it was a reuse of the current structure or whether it was a new build on the site we would work with the planners. Given the values that the site would attract there would be a need to work with the local councillors in terms of any further report to brought forward the disposal.

The Head of Operational Property Management further noted the Member's comments in respect to the *Site of former West Heath Library* and advised that this was closed for at least a decade and was demolished about 8 years ago. The Cabinet Member for Housing and Homelessness advised that when she held that portfolio the West Heath Library was not I existence. The Head of Operational Property Management stated that the West Heath Library did not formed part of the current model for libraries and was not part of the current consultation. He added that this was a small infill site, and that the intention was to brought this forward for development.

With regard to *Coleshill Road Nursery* a number of exchanges were undertaken with the local councillor and the Assistant Director, and this was similar commentary to *Sutton New Road*. We would be working with our colleagues in planning for what was the most appropriate and sustainable form of development and panning use in that locality.

A Member enquired whether a covenant could be placed on the *Sutton New Road* site when it was being sold to state that the site cannot be used for an

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HMO or exempt accommodation. The Head of Operational Property Management responded that further advice would be needed from colleagues in Planning, Legal Services etc. He added that he was aware that we had done such things on small individual properties, but that he was not aware if this had been done on any larger site. He undertook to investigate the issue and provide a response to the Member.

The Chair commented that if her memory served her correctly a Scrutiny report had something in there that looked at some of the things being mentioned now by the Member. The Chair request that this point be investigated by Legal Services to ensure that everything we were doing in this space was compliant with what was being agreed previously.

The Cabinet Member for Housing and Homelessness gave assurance that we did not want any more HMOs or exempt properties within that area of Birmingham as there was more than enough and that she would be grateful if officers could put this in place. It was noted that the Scrutiny went to Full City Council and was adopted.

The Head of Operational Property Management stated that three of the items the ex-caretaker houses - *65 Chilcote Close, Hall Green, 7 Netherdale Road, Highters Heath* and *the Norman Power Centre, 14 Skipton Road, Ladywood* were being investigated by colleagues in City Housing for potential use for temporary accommodations. Those investigations were on going but in the meantime we would proceed with declaring them surplus so that if they were to be unfeasible we had the authority to move forward with the disposals promptly.

The Chair stated that the caveat was ensuring that if these properties were going to be used for other purposes such as temporary accommodations it was ensured that they were complied with energy efficiency and everything else.

The Head of Operational Property Management stated that such uses would be subject to an appropriation report to brought them over into the HRA and such issues would be picked up then.

The Chair sought clarification in relation to these properties being made surplus and questioned how these could be used for temporary accommodations. The Head of Operational Property Management responded that for this we would like the approval at this point subject to those investigations continuing. If they were unsuccessful we could move properly to the open market. He reiterated that any reuse would be subject to an appropriation report and there would be that element of review and challenge by this Committee.

### **76. RESOLVED UNANIMOUSLY: -**

That Cabinet Committee Property:-

- a. Declared the land and property assets listed in Appendix 1 to the report (both freehold and long leasehold interests) surplus to Council requirements and authorised their subsequent sale as detailed;

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- b. Noted that in accordance with existing surplus property procedures no internal reuse of the properties listed in Appendix 1 to the report has been identified;
- c. Authorised the Director of Property & Investment to conclude the sale of the Council's property interests at public auction (where auction is indicated as the method of disposal) through its appointed auctioneers during the remainder of 2024 and 2025;
- d. Authorised the Director of Property & Investment, where deemed appropriate, to set individual reserve prices in excess of £200,000;
- e. Authorised the City Solicitor, where necessary, to advertise the permanent loss of public open space and consider any objections in accordance with Section 123(2a) of the Local Government Act 1972; and
- f. Authorised the City Solicitor to negotiate, execute and complete all necessary legal documents to give effect to the above recommendations.

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### **SALE OF PLOT 1, SMALL HEATH BUSINESS PARK, COVENTRY ROAD, BIRMINGHAM, B10 0HJ**

The Committee considered a report concerning the *Sale of Plot 1, Small Heath Business Park, Coventry Road, Birmingham, B10 0HJ*.

The Head of Service, Investment and Valuation introduced the item and drew the attention of the Committee to the information contained in the report.

A Member referred to the long lease on the property and the leaseholder had leased a portion of it to a third party, but that sublease did not run as long as the long lease. The Member enquired whether an overage clause could be included in the contract so that the Council could do some clawback if the specified condition was satisfied.

The Head of Service, Investment and Valuation responded that the Council granted a 125-year lease on this asset back in 1989 and there were 90 years unexpired. The Council currently received no rent under that arrangement on the basis that a premium was paid on commencement of the lease. The occupational lessee to whom the Member referred to occupied the entire site. This was an international data centre that have been there a number of years, and it was expected that they would be there for a substantially longer period. We have taken the appropriate advice from our advisors. The value the Council would extract from this was a valuation of what was a remote freeholder reversionary interest for the Council. We could do nothing else with the site until those 90 years had expired. We were satisfied that we had secured best value for it. The recommendation at this point was that there should not be any need for and overage provision on it.

**77. RESOLVED UNANIMOUSLY: -**

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That Cabinet Committee - Property:-

1. Authorised the Assistant Director of Investment & Valuation to conclude an unconditional sale of the Council's freehold interest, to the current tenants on the recommended terms as set out in Exempt Appendix 4 to the report;
2. Noted the purchasing tenant will meet payment of the Council's legal and surveyor's costs, as detailed in Exempt Appendix 4 to the report; and
3. Authorised the City Solicitor to prepare, negotiate, execute and complete all relevant legal documentation to give effect to the above.

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The Chair informed the meeting that the following items on the Agenda were withdrawn:

- Amendment to Long Nuke Road Development Scheme to Enable Housing Delivery
- Primrose Phase 3 Kings Norton Site to Deliver Affordable Housing
- Amendment to Yardley Brook Development Scheme to Enable Housing Delivery

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### **OTHER URGENT BUSINESS**

#### **78. The Brasshouse, Sheepcote Street Birmingham B16 8AE**

It was also noted that *The Brasshouse, Sheepcote Street Birmingham B16 8AE* was withdrawn from the Agenda.

A Member commented that the Brasshouse was *kicking* around for a while. He added that the Lead Commissioner stated recently that the Council suffered from a failure to follow through with its decisions. The Member further stated that there had been a long delay concerning this asset and it was not thought that this was a model of how a property should be handled.

The Director for Property and Investment responded that he accepted the Member's comments and stated that he did not believe that we would be sat here stating that this was a fast-tracked process. He emphasised that it was disappointing that this item could not be presented today and that this was down to the purchaser renegotiating terms. He added that we have held our nerves which was the right thing to do under these circumstances. He advised that the proposed purchaser were looking for a significant delay in payment before officers had even presented that proposal to the Commissioners. The Director for Property and Investment stated that he was adamant that we have done the right thing.

The Chair commented that since taking over this portfolio she had been working with all of the officers to see if we could do things more efficiently and ensuring

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that we were not losing things financially and getting best value for the properties we have. Having spoken with the Director for Property and Investment this was the right thing to do concerning the Brasshouse. The Member's points were well made, and we were taking on board and ensuring that things were done efficiently around the whole estate.

The Cabinet Member for Housing and Homelessness enquired whether this property would be coming back to the next Cabinet Committee – Property meeting scheduled for November. The Director for Property and Investment responded that it was difficult to say at this stage as we were having an extraordinary meeting on the 13 November to hear some of the items that were withdrawn from this meeting. It was also certain that the item would not come to the next scheduled meeting on the 28 November. The Cabinet Member for Housing and Homelessness stated that it was important that the item came back before Christmas.

**79. Summary Report**

A Member enquired about the summary of what have been sold and where we were with everything as it was difficult to keep a track from meeting to meeting. The Director for Property and Investment advised that the report had already been provided. He apologised that the report was not provided at this meeting. The Chair stated that she had seen the report on a regular basis as the portfolio holder. It was agreed for a summary to be submitted at the next meeting. The Chair stated that it would be helpful if a meeting could be set up outside of this Committee with Members of the Committee so that we could get up to speed with everything. Then, when we got to the next meeting we would be at the point where we were up to speed with everything

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The meeting ended at 1600 hours.

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CHAIRPERSON

