

(1) Reason why decision is being called in:

The proposed purchase of the Stonehill (10 hectares) & the Hastingwood (3 hectares) Industrial Estates sites agreed by Cabinet on 9 May 2017 does not satisfy two essential requirements:

a) the annual rental income from the existing and proposed temporary (meanwhile) uses does not cover the annual financing cost of borrowing involved to purchase the two sites.

b) the financial viability of the proposed development of these sites based on the purchase price agreed is not certain because:

i) The report omits any reference to the ongoing review of Strategic Industrial Land (SIL) by the GLA.

ii) The GLA have not confirmed recently that it will allow the SIL at Meridian Water, including these sites, to be re-designated in part for housing.

iii) LBE has not provided confirmation within the report that the requisite SIL at Meridian Water can be identified elsewhere in the borough.

iv) LBE has not provided confirmation in the report that the development of these two sites is financially viable if the GLA does not permit residential development.

(2) Outline of proposed alternative action:

Refer back to Cabinet

(3) Do you believe the decision is outside the policy framework?

No

(4) If Yes, give reasons: n/a

FOR DST USE ONLY:

Checked by Proper Officer for validation –

Name of Proper Officer:

Date: 24.5.17



DST/PPB/may12