

## PFCC Decision Report

<b>Report reference number:</b> PFCC/018/21
<b>Classification:</b> OFFICIAL
<b>Title of report:</b> Acquisition of the site known as Boreham Complex
<b>Area of county / stakeholders affected:</b> Chelmsford City Council
<b>Report by:</b> Patrick Duffy – Head of Estates <b>Date of report:</b> 1 <sup>st</sup> March 2021 <b>Enquiries to:</b> <a href="mailto:Patrick.Duffy@essex.police.uk">Patrick.Duffy@essex.police.uk</a>

### 1. Purpose of the report

The purpose of this Decision Report is to seek approval from the Commissioner to undertake the acquisition of the freehold of the site known as the Boreham Complex, Holts Lane, Waltham Road, Boreham.

### 2. Recommendations

To proceed with acquiring the freehold of the site known as the Boreham Complex including additional land for the sum of £3,500,000.

### 3. Benefits of the proposal

Acquiring the freehold of the site will enable Essex Police to ensure it has a long-term future and base for the functions that currently operate from the site as well as facilitating future strategic objectives associated with the Essex Police estate. The site is currently leased from the landlord and therefore the purchase of the site would eliminate this revenue cost.

### 4. Background and proposal

The Boreham site consists of approximately eight acres of land and buildings which are used by two main policing areas. The site is leased and consists of a number of buildings and hard standing. The arrangements are outside of statutory protection for business tenancies and Essex Police could be asked to leave with two years' notice. The owner is the Pension Fund which holds the property and

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surrounding land. Boreham has been leased by Essex Police since 2005 and, following a review and implementation of the Estate Strategy, the Boreham site was identified as being a core building within the force's estate, with a financially viable case to invest capital resources into the freehold purchase of the land.

The proposal is based on a financial business case and payback on cost avoidance for rent on the existing site and existing provision of police services already undertaken from the property.

The proposal is to acquire the freehold of the site, including additional land to the northern and eastern edges of the site known as the Boreham Complex, for the sum of £3,500,000.

### **5. Alternative options considered and rejected**

Continue to lease the property from the landlord – This would have the reverse impact of the business case, so far as long-term payback periods. The PFCC would be investing into an asset that it does not own.

Re-locate to an alternative premises – The existing site has facilitated a number of operational and support functions for Essex Police. There are no sites available across Essex that would provide a suitable location for all functions currently provided for at the Boreham Complex, which would mean that multiple sites would be required.

### **6. Police and Crime Plan**

The investment fits with the Commissioner's Police and Crime Plan objective on Finance and Resources, with particular reference to "*Rationalise the police estate, making it fit for purpose for 21st century policing and drive out savings to reinvest back into local policing*". Although this decision is based on growth of the estate rather than rationalisation, it supports the potential to facilitate consolidation of a number of operational functions to the property, improving the force's estate efficiency and facilitating planned disposals.

The investment also fits with the Commissioner's Estate Strategy with particular reference to "*Strategic Management of our Estate*" and "*Our Future Direction*".

### **7. Police operational implications**

There are no staffing or resource implications directly arising from this decision report.

### **8. Financial implications**

The purchase of the freehold is for £3,500,000 capital investment with revenue costs estimated at £219,500 made up of agents' fees, solicitors' costs and stamp duty land tax.

The current property rent is £190,000 per annum. That was due to be subject to a rent review in November 2020, but that was postponed. Nevertheless future rent increases would be likely [the scale of such increases is not known]

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There is both capital (subject to approval) and revenue funding allocated within the budget for the required sums.

### **9. Legal implications**

Due diligence will be undertaken and a commercial property conveyancing solicitor will act on behalf of the PFCC to agree the contract and transfer documentation to purchase the property.

### **10. Staffing implications**

There are no staffing or resource implications arising from this decision report.

### **11. Equality and Diversity implications**

It is not considered that an Equality Impact Assessment is required for the acquisition associated with this decision report.

### **12. Risks**

If the purchase does not proceed, there will be risks around investing into buildings that are not owned by the PFCC. Although the PFCC's occupation is protected by a lease, there is a planning clause that could result in the landlord serving two years' notice for vacant possession.

As a result of the purchase, the access rights to the property will be explored with options to be considered for this unregistered land.

### **13. Governance Boards**

Progress on negotiating the purchase of the property has been discussed and reported on quarterly at both the Estate Strategic Board and the Strategic Board. The decision, following negotiations, was agreed in principle by the Chief Officer Group (COG) on 4<sup>th</sup> December 2019 and presented to and agreed at the Strategic Board on 9<sup>th</sup> December 2019.

### **14. Background papers**

Heads of Terms – OFFICIAL SENSITIVE

11343 - BOREHAM -  
HEADS OF TERMS V7

Stage 2 Capital Bid – OFFICIAL SENSITIVE

Boreham Purchase  
v0.3 Stage 2 Capital

Acquisition Site Plan

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2019 Valuation Summary – OFFICIAL SENSITIVE

2019 Valuation  
Summary.pdf

2017 Valuation – OFFICIAL SENSITIVE

2017 Valuation.pdf

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**Report Approval**

The report will be signed off by the PFCC Chief Executive and Chief Finance Officer prior to review and sign off by the PFCC / DPFCC.

Chief Executive / M.O.

Sign: 

Print: P. Brent-Isherwood

Date: 16 March 2021

Chief Finance Officer / Treasurer

Sign:  .....

Print: Julia Berry .....

Date: 16 March 2021 .....

**Publication**

Is the report for publication?

YES

NO

If 'NO', please give reasons for non-publication (Where relevant, cite the security classification of the document(s). State 'None' if applicable)

However, the Heads of Terms, Capital Bid, 2019 Valuation Summary and 2017 Valuation are NOT to be published as these are all protectively marked.

If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.

**Redaction**

If the report is for publication, is redaction required:

1. Of Decision Sheet? YES   
NO

2. Of Appendix? YES   
NO


If 'YES', please provide details of required redaction:

The Heads of Terms, Capital Bid, 2019 Valuation Summary and 2017 Valuation are NOT to be published as these are all protectively marked

Date redaction carried out: 18 March 2021

**Treasurer / Chief Executive Sign Off – for Redactions only**

If redaction is required, the Treasurer or Chief Executive is to sign off that redaction has been completed.

**Sign:**  .....

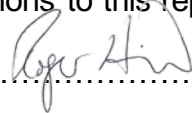
**Print:** Julia Berry .....

**Chief Executive/Treasurer**

**Date signed:** 18 March 2021

**Decision and Final Sign Off**

I agree the recommendations to this report:

**Sign:**  .....

**Print:** Roger Hirst

**PFCC**

**Date signed:** 18 March 2021

I do not agree the recommendations to this report because:

.....  
.....  
.....

**Sign:** .....

**Print:** .....

**PFCC/Deputy PFCC**

**Date signed:** .....