Chelmsford City Council Overview and Scrutiny Committee

16 November 2026

Report on Decisions Taken Under Delegation to the Chief Executive

Report by:
Director of Connected Chelmsford

Officer Contact:
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Purpose
To report on the decisions taken under delegation to the Chief Executive for the period 31 May 2026 to 5th November 2026.

Recommendations

That the Committee note the report.

Summary of Key Points

Five decisions were taken under delegation to the Chief Executive during the period 31 May 2026 to 5th November 2026. The summary of the decisions are attached as appendix 1 to this report.

1. Background

1.1 The Constitution of the Council includes, at Part 3 (Responsibility for Functions), details of matters on which the officers of the Council are authorised to take decisions. These are known as delegations to officers and among them is the following, which is delegated to the Chief Executive:

"Deal with any matter on grounds of urgency, following consultation with the Leader of the Council or the Chair and Vice Chair of the appropriate Committee in respect of non-executive matters.

1.2 The decisions taken by the Chief Executive under this delegation are recorded and notified to the public and members of the Council by publication on the Council's website. On 8 February 2010, the Overview and Scrutiny Committee agreed that a list of those decisions should also be brought to the Committee for information in June and November each year.

2. Conclusion

2.1. Members are asked to note the content of the report.

List of appendices:

Appendix 1 – Decisions taken under delegation to the Chief Executive for the period 31 May 2026 to 5th November 2026.

Corporate Implications

Corporate Implication	Response
Legal/Constitutional	The Committee are required to be notified of urgent decisions.
Financial	None
Potential impact on climate change and the environment	None
Contribution toward achieving a net zero carbon position by 2030	None
Personnel	None
Risk Management	None
Equality and Diversity	None
Health and Safety	None
Digital	None
Other	None

Equality Impact Assessment

An Equality Impact Assessment is not required as this is a standing report does not propose a change in policy or procedure.

Consultees:

Director of Connected Chelmsford

Relevant Policies and Strategies:

None.

DECISION TAKEN UNDER DELEGATION TO THE CHIEF EXECUTIVE

Subject:

Disposal of 109 Waterhouse Lane, Chelmsford, Essex CM1 2RY

Date of Decision:

3rd June 2026

Decision Number:

3/2026

Background:

The Council acquired 109 Waterhouse Lane in 2017, since then, the asset has generated a consistent income stream, with a current rental income of £225,232 +VAT per annum. At the time of purchase, interest rates were low, enabling the Council to secure relatively strong investment return compared to other asset classes. Since then, the market has changed significantly, and it is not anticipated that borrowing conditions or yields will return to those levels in the short to medium term.

The Council agreed a reversionary lease with the tenant in October 2020 extending the lease to a term of 25 years, expiring on 30th September 2045. The long length of the unexpired term provides a secure and long-term income stream, which helps to support the agreed sale price. The existing lease also puts the Council in a strong position when negotiating, as there is no immediate re-letting or vacancy risk associated with the property.

At present, the property is operated as a petrol filling station. There is increasing uncertainty surrounding the long-term viability of such assets due to the transition across the globe towards electric vehicles and alternative fuels. This represents a potential future risk to both income security and capital value, which supports the rationale for disposal.

Analysis of comparable investment transactions from across the UK has been used to inform this sale. The comparables obtained demonstrated yield levels broadly consistent with 109 Waterhouse Lane, with evidence typically falling within the 5% to 6.5% range. Notably, the sale of Rayne Road Service Station, Braintree, which transacted at a net initial yield of approximately 6.5%, provides strong regional specific evidence. This indicates that the yield achieved for 109 Waterhouse Lane is strong given market conditions, reflecting a pricing level consistent with the comparable evidence obtained.

Urgency powers are sought due to the time-sensitive nature of the proposed disposal. A sale has been agreed with the current tenant, Rontec Properties Limited, for the acquisition of the freehold interest. The purchaser is in a unique position as the occupational tenant, and there is a risk that delay could result in withdrawal from the transaction. Based on available market comparables and the income of the property, Officers are satisfied that the agreed price represents best consideration reasonably obtainable. The disposal will also enable the Council to release capital tied up in the asset, allowing reinvestment to support wider corporate and financial objectives.

Supporting Information:

The Leader of the Council was consulted before making this decision and had no objection to it.

DECISION TAKEN UNDER DELEGATION TO THE CHIEF EXECUTIVE

Subject:

Disposal of Land at the Odeon Cinema, The Meadows, Chelmsford CM2 6FD

Date of Decision:

15th June 2026

Decision Number:

4/2026

Background:

The ownership of the Odeon Cinema site is held within a complex, multi-layered lease structure. Chelmsford City Council holds the freehold interest in the land and in 1992 granted a 150-year headlease over The Meadows estate (expiring in 2142), the headlease is now assigned to Dominus (in administration). Beneath this sits an intermediate underlease interest held by LMP Green Park Cinemas Ltd, with the property itself occupied by Odeon Cinemas under a commercial occupational lease.

Whilst the Odeon currently pay an annual rent, this income does not accrue to the Council due to the intervening leasehold interests. As a result, the Council's freehold interest is reversionary in nature, and the Council will receive no income from this property during the term of the lease. Without proceeding with a disposal, the Council would be unlikely to achieve any financial benefit from this part of the landholding until the expiry of the headlease in 2142. The proposed disposal therefore presents a rare opportunity to unlock value from an otherwise long-dated and non-income-producing asset.

This matter was approved by Cabinet in July 2019, however the transaction stalled due to the COVID-19 pandemic.

Urgency powers are sought due to the time-sensitive nature of the proposed transaction to align with the tenants financing arrangements. Should the prospective purchaser, LMP Green Park Cinemas Ltd, withdraw from the deal, it is considered unlikely that the Council would be able to secure a disposal of this interest to an alternative party in the short term. Chelmsford City Council has been approached by LMP Green Park Cinemas Ltd with a proposal to acquire the freehold interest, and terms have been agreed in conjunction with the leaseholder..

Independent valuation advice prepared by Fenn Wright LLP supports the agreed price.. This advice has been informed by an analysis of comparable rental and investment transactions within the leisure sector.

Freehold leisure investment transactions considered as part of the valuation demonstrate yields typically in the region of 7.7% to 8.2%, with pricing heavily influenced by the strength of the tenant covenant, lease length, and certainty of income. Longer, secure income streams result in stronger values, whereas shorter or more uncertain income examples result in higher yields and lower capital values.

The valuation also highlights long leasehold transactions, where significantly higher yields (more than 16–26%) have been observed. These reflect the impact of diminishing lease terms and uncertainty over future income beyond lease expiry. This is particularly relevant in the case of the Odeon, where the occupational lease expires in 2041 (with a potential extension to 2051), after which there is uncertainty regarding future use, tenant demand, and rental levels.

The comparable evidence also demonstrates wider market caution toward large-format leisure assets, particularly cinemas, due to structural shifts in consumer behaviour, such as the growth of streaming services. This is reflected in the valuation by applying conservative assumptions to future rental performance and redevelopment potential.

It is therefore considered that the agreed sale price represents best consideration reasonably obtainable in the current market. It is recommended that authority is granted to dispose of the Council's freehold interest and authorise officers to progress with the immediate sale at the agreed consideration.

Supporting Information:

The Leader of the Council was consulted before making this decision and had no objection to it.

DECISION TAKEN UNDER DELEGATION TO THE CHIEF EXECUTIVE

Subject:

Support for Businesses Affected by the Highlands Farm Fire

Date of Decision:

31st July 2026

Decision Number:

5/2026

Background:

Following the fire and explosion at Highlands Farm, Chelmsford City Council is the lead authority for the response phase. This will give rise to costs, some of which may be recovered from insurers, while the remainder will not be recoverable.

The Council also needs to consider the 40+ businesses and associated jobs affected by the fire. Without urgent action, there is a risk that some may be lost permanently.

It is expected that up to £300,000 could be spent on grants for businesses that would be likely to close without Council support. The impact on employment and the wider community means this is the most appropriate way to support the local economy in the circumstances.

A sum of £350,000 was requested to support businesses and meet the Council's statutory costs. This amount may be revised as the position develops.

Further reports or approvals will be brought forward if required.

Supporting Information:

The Leader of the Council was consulted before making this decision and had no objection to it.

DECISION TAKEN UNDER DELEGATION TO THE CHIEF EXECUTIVE

Subject:

Regularisation of Planning Committee Decision – Land South of Maldon Road Danbury 24/01786/OUT

Date of Decision:

12th August 2026

Decision Number:

6/2026

Background:

The above planning application was considered by Planning Committee on 4 November 2025. The application sought approval for the erection of up to 72 dwellings with associated infrastructure and open space. Access being sought. Appearance, layout, landscaping and scale reserved.

The Committee resolved that the application be approved, subject to the completion of a S106 agreement together with compliance with the conditions detailed in the report and green sheet, the details of those items and any variations that may be considered necessary and appropriate to be delegated to the Director of Sustainable Communities (including any officer within the Directorate holding an appropriate onward delegation from him) in consultation with the Chair and Vice Chair of the Planning Committee.

However, the Vice Chair was not present at the meeting, and no substitute Vice Chair was appointed by the Committee. Following the resolution to grant permission in November 2025, as part of the negotiation of the S106 legal agreement, several necessary and appropriate variations to the proposals have now been agreed. These matters are not considered material which would affect the decision, rather updates and matters of clarification/improvements.

As such the S106 legal agreement is now agreed by all parties, been circulated for engrossments and is now ready to sign. However, based on the original recommendation, Planning Committee would need to consider the application again. The earliest date being September 2026, as the original recommendation required consultation with Chair and Vice Chair of the Committee. This would cause further delay to the process of issuing the planning permission.

The Chair of Planning Committee has been consulted by the Assistant Director of Planning and Place Making on the variations to the planning application and has not raised objection to the variations.

Due to urgency to sign the S106 legal agreement, the Chief Executive was requested to agree a modification to the Planning Committee's agreed delegation to read …'in consultation with the Chair and / or Vice Chair of the Planning Committee.'

Supporting Information:

The Chair and Vice Chair of the Planning Committee were consulted before making this decision and had no objection to it.

DECISION TAKEN UNDER DELEGATION TO THE CHIEF EXECUTIVE

Subject:

Cadent Final Account – Gas Pressure Reduction System

Date of Decision:

7th October 2026

Decision Number:

7/2026

Background:

Description of exempt information

Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 Information relating to the financial or business affairs of any particular person (including the authority holding that information) Public interest statement: It is not in the public interest to release details of this decision at present, on the grounds that the decision contains information that is commercially sensitive and to place the information in the public realm will be detrimental to the negotiations to be undertaken by the Council.

CCC are in contract with Cadent to relocate the Gas Pressure Reduction System (GPRS) at Chelmer Waterside to enable the development of the site for residential housing. For the construction elements of the works Cadent commissioned Morrisons Energy Services (MES). The approved budget for the GPRS was £14.57m.

The construction elements of the works were severely delayed due to flooding events due to bad weather. MES submitted compensation event claims to Cadent, during the course of the contract Cadent approved an additional £4.28m, largely as a result of the compensation event claims bringing the budget for the works to £19.1m. As the works are now due to complete a further claim was made.

Evidence of the review and justification of an additional cost of £1.2m was provided to CCC on 28th September 2026.Due to underspends on other infrastructure at Chelmer Waterside and £1.5m of land remediation not being carried out, the overall budget with the additional £1.2m will be £0.9m under the £43m capital budget approved for infrastructure works at Chelmer Waterside.

The Chief Executive agreed to spend up to an additional £1.2m as a full and final settlement for the Gas Pressure Reduction System (GPRS), to assist with enabling works to the Chelmer Waterside site.

Supporting Information:

The Mayor was consulted before making this decision and had no objection to it.