

Business and Property Committee**Minutes of the Meeting held on Friday, 08 September 2017 at 2pm
in the Edwards Room at County Hall****Present:**

Mr K Kiddie – Chairman

Mr S Aquarone

Ms C Bowes

Mr R Brame

Mr D Douglas

Mr F Eagle

Mr B Iles (Vice-Chairman)

Mr A Jamieson

Mr M Kiddle-Morris

Mr C Smith

Mr D Roper

Mrs K Vincent

Mrs C Walker

1. Apologies and Substitutions

- 1.1 Apologies were received from Mr J Timewell (Mr D Roper substituted).

2. Minutes

- 2.1 The minutes from the Business & Property Committee meeting held on 20 June 2017 were agreed as an accurate record and signed by the Chairman.

3. Members to Declare any Interests

- 3.1 The following interests were declared:
- The Executive Director of Finance and Commercial Services declared an interest as executive director of Equinox Enterprises;
 - Mr B Iles declared a non-pecuniary interest as he was a Member of the Broads Authority.
 - Mrs K Vincent declared a non-pecuniary interest as her husband was Executive Director of Broadland Growth Limited;
 - Mr A Jamieson declared an interest as he was a non-executive Director of Norse
 - Mrs C Walker declared an interest as a Director of the Young Carers Association.

4. Items of Urgent Business

- 4.1 There were none.

5. Public Question Time

- 5.1 No public questions were received.

6. Member Questions / Member Issues

6.1 No Local Member questions were received.

7. Update from Members of the Committee regarding any internal and external bodies that they sit on.

7.1 The Chairman informed the Committee that he had made a very interesting visit to the Royal Norfolk Agricultural Association on 5 September where he had met with Directors and Staff.

7.2 The Committee expressed disappointment that some of the Members elected to sit on internal and external bodies had not reported to the Committee. The Chairman agreed to follow this up and request that a written update is provided to Members of the Committee.

7.3 Mr R Brame advised that the next meeting of the Greater Thetford Development Board was scheduled for 15 September and he would report back to the next Committee meeting.

7.4 Mrs C Walker advised that the last two Member meetings of the Great Yarmouth Area Board had been cancelled.

8. Forward Plan and decisions taken under delegated authority.

8.1 The Committee received the report by the Executive Director of Finance and Commercial Services and the Executive Director of Community and Environmental Services setting out the Forward Plan for the Business and property Committee.

8.2 With regard to the delegated decision on the Norwich Northern Distributor Route (NDR) – land acquisitions, the Committee was advised that the budget remained under pressure, some of which was caused by land acquisition costs. The Assistant Director Planning and Economy advised that the Environment, Development and Transport Committee would consider the implications on the budget, although this may not take place until the meeting in January 2018 when it was anticipated more expenditure information would be available.

8.3 There was no financial benefit to Norfolk County Council when schools were leased to academies under a peppercorn lease agreement. Any land transferred to academies remained under the ownership of Norfolk County Council and if the land was no longer used for educational purposes, it would revert back to County Council ownership. The total book value was approximately £32m.

8.4 The land at Pound Lane, Thorpe St Andrew had been sold at auction for £21,500. The Executive Director of Finance & Commercial Services would check whether the site had been sold as agricultural land or land with planning permission and update Members accordingly.

8.5 The Chairman suggested that an update on the Repton Property Developments draft 5-year business plan be brought to a future meeting for consideration by the Committee.

8.6 The Committee **RESOLVED** to:

1. Review the Forward Plan and identify any additions, deletions or changes to reflect key issues and priorities the Committee wishes to consider.
2. Note the delegated decisions.

9. Finance Monitoring

9.1 The Committee received the report by the Executive Director of Community and Environmental Services and the Executive Director of Finance and Commercial Services providing it with information on the budget position for services reporting to Business & Property Committee for 2017-18.

9.2 The Committee sought reassurance that funding would be made available for people with learning difficulties to be offered the opportunity to take up apprenticeships. The Executive Director of Finance and Commercial Services confirmed that work was being undertaken with Adult Social Care (ASC) to help facilitate this initiative. Other departments were also looking to identify posts which may be appropriate for people with learning disabilities and were liaising with Adult Social Care department.

9.3 The Assistant Director Planning and Economy advised that community and Environmental Services Department was in the process of drafting a report for the Communities Committee meeting in October about apprenticeships and ATA (Apprenticeship Training Agency) which would include a high level plan on how the scheme could move forward in the next five years.

9.4 The Executive Director of Finance and Commercial Services agreed to provide a written response about the specific commitments against the £1.8m forecast balance at 31 March 2018.

9.5 The Committee **RESOLVED** to note:

- a) The forecast out-turn position for the business and property Committee.
- b) The capital programme for the Committee.
- c) The current planned use of the reserves and the forecast balance of reserves as at the end of March 2018.

10. Major Infrastructure Improvements

10.1 The Committee received the report by the Executive Director of Community & Environmental Services updating members on the economic benefits identified to date for the three priority infrastructure projects being undertaken by the County Council, including more detail on the Great Yarmouth 3rd River Crossing.

10.2 In response to a question about the economic benefits brought to the county from major road schemes, the Assistant Director Planning and Economy advised that

economic benefits were measured by a Government methodology. The NDR was a key priority for the Transport for Norwich project, which meant that the NDR would free up capacity to provide walking, bus and cycle networks. Norwich city centre had a vibrant bus service, although this was not the case in rural areas, therefore if road space could be freed and more people could be encouraged to use public transport, buses could run to timetable which would in itself help bring economic benefits.

10.3 The Committee expressed its pleasure at the successful bid for development work for the 3rd river crossing at Great Yarmouth, and thanked officers for their work on the project.

10.4 The Committee **RESOLVED** to:

Note and comment on the economic benefits of the infrastructure projects provided in the report.

11. Scottow Enterprise Park - Update

11.1 The Committee received the report by the Executive Director of Community and Environmental Services updating it on the current agreed context the site is operating within, and updates on recent and planned activities on site. The update was intended to help bring Members up to speed on the current position, in advance of a more detailed discussion about the future development of the site at a future Committee meeting.

11.2 The Scottow Enterprise Park site was split into four enterprise zones. Zones A, B and C were where the majority of economic activity would take place. Zone D was mainly used as a storage zone made up of multiple, smaller storage spaces that were not meant for regular activity. A large part of the site was the location of the Photo Voltaic Farm.

11.3 The table at appendix A of the report showed the total revenue and did not include capital. The revenue from the PV farm amounted to approximately £485k per annum. Any revenue over that figure came from rents for the various buildings on the site.

11.4 The Executive Director of Community and Environmental Services advised that the site had been operating at a loss in 2015-16. The site was now forecasting a surplus of approximately £450k, with 94 tenants providing local jobs. This meant the County Council's original aspirations were well on track. The Committee would receive a report at a future meeting asking it to consider longer-term investments which it was hoped would create more jobs at the Park.

11.5 In order to give the Committee a clearer picture of rental value and returns at the Park, revenue costs per zone would be included in future performance reports.

11.6 The Park currently had an occupancy rate of 85%. It was anticipated that, by the end of March 2018 the site would be 89-90% let. The Site Director confirmed that he could see no reason why the site would not be 100% let by 2019 as predicted as there was still a demand for space at the site. Tenants and new

businesses occupying space at Scottow Enterprise Park were offered continued support which meant they tended to remain.

11.7 Work was being undertaken to consider how the Park could be used to best effect. The Committee was advised that demand continued for small buildings of approximately 2-5k sq.ft. as well as larger buildings of 20-25k sq.ft and would receive an update report at a future meeting.

11.8 The Committee **RESOLVED** to:

1. Note progress and achievements at Scottow Enterprise Park under the management of Hethel Innovation Ltd.
2. Ask officers to work up options for the next phase of development of the site, for the Committee to consider at a future meeting.

12. County Farms Update Report

12.1 The Committee received the report by the Executive Director of Finance and Commercial Services giving members a commentary on the work of the County Farms Team.

12.2 During the presentation of the report the Committee noted that, of the actions identified in the audit report, 29 had now been completed, 4 had not been completed due to restructuring of the department and the remainder were regularly monitored with ongoing action taken.

12.3 The Chairman advised that a visit to County Farms was being arranged for the Committee on Friday 6 October 2017. Details would be circulated to Members as soon as possible.

12.4 The assessment for estates being based on 4 categories as set out in paragraph 2.3 of the report had been brought to the Committee for formal adoption.

12.5 In response to a question about the length of tenancies, the Head of Property said that 5-year tenancies were now being considered and that more responsibilities for the lease had been moved from the landlord to the tenant. Work was undertaken with the tenant farmers to look at how buildings and farms were managed. It was intended that farms would be visited twice per year to monitor the sites and how they were being managed as well as offering support where needed.

12.6 The Committee expressed its wish to see a more explicit reference to care farm provision and requested this is updated in the Proposed Objectives and Policies document.

12.7 With regard to Objective F4, the Head of Property advised that to minimise rent debt, Norfolk County Council as landlords, would take a measured view as to how debts were managed. In some cases tenancies were terminated due to financial reasons and sometimes it was due to performance based problems.

12.8 There were opportunities for students of local colleges to take up apprenticeships, although the Committee noted some farms were small and

would not be able to offer apprenticeships. The larger farms were encouraged to take on an apprentice if it was considered financially viable.

- 12.9 With regard to Objective S1, the Committee was advised the Norfolk County Council Constitution Financial Regulations (Part 7.7, paragraph 5.12.9) set out how receipts of money from the sale of county farms would be handled.
- 12.10 The Committee **agreed** the following change to the Proposed Selection Process & Criteria:

Paragraph 2 – Selection Process – Stage 2

The interviewing panel will comprise a mix of officers and/or members of the Council **Business & Property Committee** together with

Paragraph 2.3

At interview there would be two elected members (to be agreed) **of the Business & Property Committee, with 2 named substitutes of the Business & Property Committee**, Head of Property, the County Farms

- 12.12 The Committee **agreed** the Acquisition Criteria as set out in paragraph 9.0 of the report.
- 12.13 The Chairman announced that Bank House Farm and additional land, Marshland St James, had been purchased by Norfolk County Council. A press release would be circulated soon. Bank House Farm was made up of 440 acres of grade 2 land, including grain stores and offices. The acquisition of Bank House Farm brought the County Farms asset to approximately 16,730 acres in total.
- 12.14 The Committee **RESOLVED** to:
- i) **Agree** the proposed Objectives and Policies in Appendix A of the report.
 - ii) **Agree** the proposed letting procedure in Appendix B of the report and to work with officers to define the process in the coming months, with the amendments outlined in paragraphs 12.11 above.
 - iii) **Agree** the proposed acquisition criteria.

Following which formal proposals would be submitted for adoption at a future Business & Property Committee meeting.

13. Disposal, Acquisition and exploitation of Properties

- 13.1 The Committee received the report by the Executive Director of Finance and Commercial Services setting out proposals aimed at supporting Norfolk County Council priorities by exploiting properties surplus to operational requirements, pro-actively releasing property assets with latent value where the operational needs can be met from elsewhere and strategically acquiring property to drive economic growth and wellbeing in the county.
- 13.2 The following comments were noted in response to questions from the Committee:

- 13.2.1 With regard to the Mileham school site, the Local Member for Necton and Launditch Division which included Mileham urged the Head of Property to explore a possible access issue as there had been some debate locally about site access. The Head of Property agreed to explore the access issue and if no solution could be agreed, the site would be sold at auction.
- 13.2.2 The Committee asked if recommendations (ix) (4 Minstergate) and (x) (Thetford Warehouse) could be re-considered for alternative use rather than being disposed of.
- 13.2.3 With regard to Herondale at Acle, the Committee was advised that Norsecare had viewed the property and had confirmed it did not fit meet their current requirements.
- 13.2.4 With regard to the former County Farm land at Links Road, Hopton on Sea, the Head of Property advised that this site was a good example of land on the edge of a development, being taken out of agricultural use and re-allocated as development land.
- 13.3 The Committee agreed the overall principle of the disposal and acquisition of properties and considering each recommendation in turn **RESOLVED** to:
- i) **Agree** to formally declare the land at London Road, Attleborough surplus to County Council requirements and instruct the Head of Property to bring forward appropriate proposals for disposals or development at a future B&P Committee Meeting.
 - ii) **Agree** to formally declare the former Brockdish school playing field surplus to council requirements and authorise the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous bid and report the fact at a subsequent B&P Committee meeting.
 - iii) **Agree** to formally declare the Filby Sailing Base surplus to council requirements and authorise the Head of Property to dispose of the property either by freehold or leasehold transfer to NSSA on terms to be agreed. In the event of the disposal values exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous bid and report the fact at a subsequent B&P committee meeting.
 - iv) **Note** that the site known as the Land at Willows Business Park in Kings Lynn will not be brought to market until the site has been formally withdrawn from the Norfolk Minerals and Waste Development Framework.
 - (v) **Endorse** the disposal of the former Lingwood school site as surplus to NCC use and authorise the Head of Property to explore and implement its disposal at Market Value. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous bid and report the fact at a subsequent B&P Committee meeting.
 - (vi) **Agree** to formally declare the former Mileham School site surplus to Council requirements and authorise the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the

Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous bid and report the fact at a subsequent B&P Committee meeting.

- (vii) **Agree** to formally declare 14 Chapelfield North surplus to County Council requirements and authorise the Head of Property to negotiate with the tenant to dispose of the property at market value. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous bid and report the fact at a subsequent B&P Committee meeting.
- (viii) **Agree** to formally declare floors 1 and 2, and the ground floor (when it becomes available) of Vantage House surplus to NCC use and authorise the Head of Property in consultation with Director of Finance and Commercial services to agree sub-lets on the best terms possible.
- (ix) **Ask** the Head of Property to **reconsider** the disposal of 4 Minstergate. ~~—at market value. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous bid and report the fact at a subsequent B&P Committee meeting.~~
- (x) **Ask** the Head of Property to **reconsider** the disposal of Thetford Warehouse ~~either by freehold sale or by lease on the best terms possible. In the event of disposal terms exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous bid and report the fact at a subsequent B&P Committee meeting.~~
- (xi) **Agree** to formally declare the Tin Barn, Hall Road, Toft Monks surplus to Council requirements and authorise the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous bid and report the fact at a subsequent B&P Committee meeting.
- (xii) **Agree** to formally declare Croft Farm buildings site, Welney surplus to Council requirements and authorise the Head of Property to seek alternative uses and dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous bid and report the fact at a subsequent B&P Committee meeting.
- (xiii) **Agree** to formally declare Old Croft Farm Barn site, Tipsend, Welney surplus to Council requirements and authorise the Head of Property to seek alternative uses and dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous bid and report the fact at a subsequent B&P Committee meeting.
- (xiv) **Agree** to formally declare the 8 property assets as listed in Table 1 surplus to Council requirements and instruct the Head of Property to bring forward as appropriate proposals for disposals or exploitation at future B&P Committee meetings.

14. Exclusion of the Public

- 14.1 The Committee was asked to exclude the public from the meeting whilst agenda items 15 (Exempt Minutes) and 16 (Acquisition of Properties) was considered. The Chairman read out the reasons for the exclusion which was **agreed** by the Committee.
- 14.2 The Committee **RESOLVED** to exclude the public from the meeting whilst agenda items 15 (Exempt Minutes) and 16 (Acquisition of Properties) were considered.

15. Exempt Minutes

- 15.1 The exempt minutes of the Business & Property Committee meeting held on 20 June 2017 were agreed as a correct record of the meeting and signed by the Chairman.

16. Acquisition of Properties

- 16.1 The Committee received and considered the exempt report by the Executive Director of Finance and Commercial Services.
- 16.2 The Committee **RESOLVED** to agree the recommendations in the report.

The meeting closed at 3.40pm

**Mr Keith Kiddie,
Chairman, Business and Property Committee**



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