

Business and Property Committee

**Minutes of the Meeting held on Wednesday, 18 October 2017
at 9.15am in the Cranworth room County Hall**

Present:

Mr K Kiddie (Chairman)

Mr S Aquarone

Mr R Brame

Mr D Douglas

Mr B Iles (Vice-Chairman)

Mr A Jamieson

Mr M Kiddle-Morris

Mr V Thomson

Mr J Timewell

Mrs K Vincent

Mrs C Walker

1. Welcome and Announcements

The Chairman thanked members who attended the recent visit to farms on the County Farms Estate and the Officers who organised the event. He thanked members of the public and staff for attending the Committee meeting.

2. Apologies and Substitutions

- 2.1 Apologies were received from Ms C Bowes, Mr F Eagle (Nigel Dixon substituting) and Mr C Smith (Mr V Thomson substituting).

3. Minutes

- 3.1 The minutes of the meeting held on 08 September 2017 were agreed as an accurate record and signed by the Chairman.
- 3.2.1 Matters Arising from the Minutes:
- 3.2.2 In reference to paragraph 7.4 Mrs Walker advised that a meeting of the Great Yarmouth Area Board was now arranged for the 7 November 2017.
- 3.2.3 The Head Of Property updated the Committee that the land at Pound Lane, Thorpe St. Andrew, ref. paragraph 8.4 of the minutes, had been sold as agricultural land with covenants attached.
- 3.2.4 The Head Of Property confirmed that proposals 9 and 10 were being discussed with agents including looking into leasehold disposal to identify whether joint disposal would add greater value, as well as freehold interest.

4. Members to Declare any Interests

- 4.1 The following interests were declared:
- The Executive Director of Finance and Commercial Services declared an interest as a non-executive director of Equinox Enterprises.

- Mr Timewell declared an interest as a family member rented properties at Scottow Enterprise Park.
- Mr Jamieson declared an interest as a non-executive director of Norse.
- Ms Vincent declared an interest as a Norse shareholder representative.

5. Urgent Business

5.1 No urgent business was discussed.

6. Public Questions

6.1 No public questions were received.

7. Member Questions

7.1 No member questions were received.

8. Verbal update/feedback from Members of the Committee regarding Member Working Groups or bodies that they sit on.

- 8.1 The Chairman updated members on:
- His attendance at a meeting of the Armed Services Covenant Board on the County Council's involvement in the Covenant to be brought to a future meeting;
 - His visit to Bank House farm a 440 acre acquisition near Downham Market.
- 8.2 Mr Brame had attended a meeting of the Greater Thetford Development Partnership where effectiveness of the Partnership and their use of Officer time was reviewed. A further meeting was due to be held to set a new terms of reference and elect new members; he would bring a further update to the Committee.

9. Forward Plan and delegated decisions

- 9.1 The Committee reviewed the forward plan and delegated decisions taken by Officers.
- 9.2 Ms Vincent requested a copy of the response mentioned in paragraph 1.21 of the report; the Executive Director of Finance and Commercial Services **agreed** to provide her with this.
- 9.3 The Committee:
1. **REVIEWED** the Forward Plan at Appendix A;
 2. **NOTED** the delegated decisions.

10. Apprenticeships update

- 10.1.1 The Committee received the report giving an update on Apprenticeships in Norfolk.
- 10.1.2 The Employment and Skills Manager circulated additional data; see appendix A. A larger reduction had been seen in intermediate and advanced apprenticeships in

Norfolk than nationally or regionally; higher level apprenticeships had increased.

- 10.2.1 Cllr Clancy, Member Apprenticeships Champion, reported on a pilot project for apprenticeships for young people with special needs. He discussed the impact on small and medium enterprises (SMEs) by the change in employer levy and the support Norfolk County Council could provide. Cllr Clancy reported there would be focus on apprenticeships in employment areas with shortages such as construction.
- 10.2.2 Mr Rivens, an Apprentice with the NHS IT department, updated the Committee on his apprenticeship. He discussed what influenced his decision to apply and the structure of the apprenticeship, starting at level 3, now with plans to move on to a degree level apprenticeship. He felt apprenticeships were a fantastic alternative to college or university for young people and that more could be done to make young people aware of them. Mr Rivens' manager reported that the NHS were a levy payer to new apprentices and existing staff to develop skills particularly in the nursing sector.
- 10.2.3 Mr Rivens felt there was still a stigma to getting an apprenticeship instead of going to college or university among young people.
- 10.2.4 The Employment and Skills Manager clarified that apprenticeship advisors supported SMEs through direct support and through employer promotion events and work with District Councils' Business Forums.
- 10.2.5 The Employment and Skills Manager clarified that Officers were working with Easton and Notley college regarding lack of construction sector apprenticeships but had no information about possible closure of CITB (Construction Industry Training Board).
- 10.2.6 The closure of Norfolk Training Services was raised. Officers helped learners to move to a new provider when providers closed in partnership with the Education and Skills funding agency, who were the lead on this. The Employment and Skills Manager was due to meet with them for further discussion.
- 10.2.7 The Employment and Skills Manager clarified that all young people in receipt of benefits, including those with learning disabilities, were supported to work with the DWP to see whether taking up an apprenticeship would affect their benefits.
- 10.3 The Committee **DULY AGREED** to:
 - 1. Work with Apprenticeships Norfolk Network partners to support take-up of apprentices aged 16 to 24 years to address the expected imbalance created by Government reforms;
 - 2. Seek funding from the Norwich Opportunity Area for a trial to support 16 year old transition from school to Apprenticeship;
 - 3. Seek funding from the Network for East Anglian Collaborative Outreach to support a trial for 17 and 18 year olds into Advanced and Higher Apprenticeships

11. Trial Apprenticeship Training Agency (ATA) project

- 11.1.1 The Committee received the report outlining a proposal to support the development of an Apprenticeships Training Agency (ATA) in Norfolk.
- 11.1.2 The existing construction ATA TrAC, (Training and Apprenticeships in Construction), had agreed to run a trial for Norfolk County Council.

- 11.1.3 The Apprenticeships Strategy Manager and the Employment and Skills Manager were confident that adequate funding would be received for the project.
- 11.2.1 Members discussed YTS (Youth Training Scheme) and its benefits, and suggested Officers look into this when planning the project. The Apprenticeships Strategy Manager **agreed** to look into this and how to adapt it to changes in the job market and economy.
- 11.2.2 The impact of the levy on small businesses was questioned; the Apprenticeships Strategy Manager clarified that the levy had had a negative effect on SMEs who felt there was more focus on large companies.
- 11.2.3 Work was underway with the training provider “Construction Training Specialists” to ensure they were effective, reliable and financially durable.
- 11.2.4 A report was **requested** providing a full picture on apprenticeships across Norfolk. The Apprenticeships Strategy Manager **agreed** to bring a report to a future meeting.
- 11.2.5 The Vice-Chairman felt more evidence was needed that funding would be available to provide assurance that money from Norfolk County Council’s budget would not be used. The Assistant Director of Planning and Economy confirmed that the scheme would not proceed without external funding; the Director had also signed a letter indicating this. The Committee **AGREED** that, if needed, any further agreements could be made by the Chairman and Vice-Chairman.
- 11.3 The Committee **AGREED**:
1. To support the development of a trial ATA, working with an existing organisation, subject to securing external funding;
 2. That Officers would bring back a report detailing the outcomes of the trial before upscaling the model to a wider cohort of young people.

12. Integrated Health and Employment Service (IHES)

- 12.1.1 The Committee received the report outlining the proposal for development of an Integrated Health and Employment Service.
- 12.1.2 Norfolk County Council were proposed as the lead body for the funding bid process.
- 12.2.1 The Vice-Chairman queried the outlined agreement of use of £350,000 from “existing resources. The Executive Director of Finance and Commercial Services confirmed this was from accumulated money from previous bids.
- 12.2.2 The Skills Policy Manager clarified that the impact of the project for Norfolk County Council would be evaluated by the University of East Anglia.
- 12.3 The Committee considered the proposal and:
1. **SUPPORTED** the development of the Integrated Health and Employment service;
 2. **APPROVED** the submission of the stage 1 European Social Fund bid.

13. Strategic and Financial Planning 2018-19 to 2021-22

- 13.1.1 The Committee received the report providing an update on the Committee's detailed planning to feed into the Council's budget process for 2018-19.
- 13.1.2 The Executive Director of Finance and Commercial Services highlighted 5 savings for the Committee to consider, shown in the table on page 49 of the report.
- further centralisation of the property budget across the Council;
 - reducing fees paid to Norfolk Property Services;
 - reducing facilities management costs;
 - return from Repton Property Developments;
 - working more closely with New Anglia Local Enterprise Partnership (LEP) to reduce money paid to them.
- 13.2.1 The proposed tax increase indicated in the report was queried. The Executive Director of Finance and Commercial Services reported that in order to address the budget gap, a tax increase would be required.
- 13.2.2 The importance of promoting business development in Norfolk to further support the budget was raised. The Executive Director of Finance and Commercial Services acknowledged this and noted that benefits brought about by work of the Economic Development Team to track new businesses would accrue elsewhere in the budget.
- 13.2.3 The Executive Director of Finance and Commercial Services clarified that most investment in the Economic Development Team was externally funded; the capital programme could be used for investment where needed.
- 13.2.4 Mr Kiddle-Morris queried the figures in the table on page 47. The Executive Director of Finance and Commercial Services clarified that the 0% Council Tax increase indicated a 0% assumed change to the council tax model presented to full council in that year; he agreed to discuss in more detail with Mr Kiddle-Morris after the meeting.
- 13.2.5 Mr Timewell suggested that the Committee review the role of the Economic Development department.
- 13.2.6 The Executive Director of Finance and Commercial Services confirmed most Norfolk County Council debt was fixed rate; there would be modest increase in debts over the coming years.
- 13.2.7 It was queried when Repton Property Developments would make a financial return to Norfolk County Council. The Executive Director of Finance and Commercial Services was unable to give a definite position on this. A draft business plan was due to be brought to a future Committee meeting including a draft financial forecast.
- 13.2.8 The Executive Director of Finance and Commercial Services confirmed that low council tax collection rates in some areas was factored into the budget
- 13.2.9 Figures broken showing detail of funding streams was **requested** in the report about Repton Property Developments.
- 13.3 The Committee **DULY**:
- 1) **NOTED** that the Council's current budget planning includes an assumed increase in council tax of 3.0% for the Adult Social Care precept, and an

- inflationary increase of 1.9% in 2018-19;
- 2) **CONSIDERED** and **AGREED** the service-specific budgeting issues for 2018-19 as set out in section 3;
 - 3) In order to help close the forecast 2018-19 budget gap as set out in section 2 of this report:
 - a. **CONSIDERED** the 5 savings identified for 2019-20 which had the capacity to be brought forward to 2018-19;
 - b. **AGREED** the proposed new savings for 2018-19 (Table 4) for recommendation to Policy and Resources Committee;
 - c. **AGREED** to **RECOMMEND** to Policy and Resources Committee the proposed new savings for 2018-19 which require consultation as set out in section 3.

14. Finance Monitoring

- 14.1 The Committee received the report providing information on the budget position for services reporting to Business & Property Committee for 2017-18.
- 14.2.1 The Assistant Director of Planning and Economy clarified that Scottow Enterprise Park had over-performed; the revenue amount of £200,000 was the remaining figure after surplus had been used to offset savings elsewhere in the service.
- 14.2.2 In order for Committee Members to gain a clear understanding of Norfolk County Council's enterprises, sight of profit and loss accounts was requested. The Executive Director of Finance and Commercial Services **agreed** that financial information related to Norfolk County Council enterprises such as Scottow Enterprise Park and County Farms be brought to future meetings of the Committee.
- 14.3 The Committee **NOTED**:
 - a) The forecast out-turn position for the Business and Property Committee;
 - b) The capital programme for this Committee;
 - c) The current planned use of the reserves and the forecast balance of reserves as at the end of March 2018.

15. Disposal, acquisition and exploitation of Properties

- 15.1 The Committee received the report outlining disposals, acquisitions and exploitation of properties.
- 15.2.1 The Head Of Property noted that the operational fire centre at Hethersett would remain in use; the disposal was related to facilities being shared with Wymondham.
- 15.2.2 Mr Dixon raised a query about the Officers' Mess sites adjoining the site on Scottow Estate highlighted for disposal. This was tabled for discussion item 16.
- 15.2.3 The Head Of Property confirmed due diligence had been carried out with regard to the battery storage sites at Scottow Enterprise Park; they would be containerised facilities.
- 15.3 The Committee **DULY AGREED** to:
 - (i) Formally **DECLARE** the land at Vicarage Road, Deopham **surplus to County Council requirements** and instruct 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 Business and Property Committee was authorised to accept the most advantageous bid and report the fact at a subsequent Business and Property Committee meeting.

(ii) Formally **DECLARE** parts of the former Hethersett fire service headquarters site and edged red on the plan (area A to the north east and area B south west of the retained operational fire station) **surplus to County Council requirements** and instruct the Head of Property to dispose of both areas. In the event of disposal receipts exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of Business and Property Committee was authorised to accept the most advantageous offers and report the fact at a subsequent Business And Property Committee meeting. For the avoidance of doubt an operational fire station would remain in Hethersett.

(iii) Formally **DECLARE** the land at Norwich Road, Kirstead **surplus to County Council requirements** and instruct 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 Business and Property Committee was authorised to accept the most advantageous bid and report the fact at a subsequent Business and Property Committee meeting.

(iv) Formally **DECLARE** the land at School Road, Necton **surplus to County Council requirements** and instruct the Head of Property to dispose of the property either on the open market or to Repton Property Developments Ltd. 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 Business and Property Committee was authorised to accept the most advantageous bid and report the fact at a subsequent Business and Property Committee meeting.

(v) Formally **DECLARE** the former Lakenham First School site, Hospital Lane site **surplus to Norfolk County Council use** and authorise the Head of Property in consultation with Director of Finance and Commercial services to agree a sub-lease on the best terms possible and report the fact at a subsequent Business and Property Committee meeting.

(vi) **AUTHORISE** the Head of Property to **implement the disposal** of 2 sites by way of lease on Scottow Enterprise Park for use as battery storage facilities 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 Business and Property Committee was authorised to accept the proposal and report the fact at a subsequent Business and Property committee meeting.

(vii) Formally **DECLARE** the Former Landfill Tip (Burlingham Estate), South Walsham **surplus to County Council requirements** and authorise the Head of Property to negotiate with the adjoining owner 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 Business and Property Committee was authorised to accept the most advantageous bid and report the fact at a subsequent Business and Property Committee meeting.

16. Risk Management

- 6.1 The Committee received the report providing the latest departmental level property risks as at September 2017 following the latest review conducted at the end of August 2017.
- 16.2 The loan to Repton Property Developments was included in a general risk line; it would be included in future reports to the Committee for information.
- 16.3 The Committee:
- a) **CONSIDERED** the risks judged as exceptions (in paragraph 2.2 and Appendix A), and the other departmental risks relating to Property (in Appendix E);
 - b) **AGREED** that the recommended mitigating actions identified in Appendix A were appropriate;
 - c) **CONSIDERED** the definitions of risk appetite and tolerance in Appendix D.

17. Performance Management

- 17.1 The Committee considered the second performance management report to this Committee based upon the revised Performance Management System.
- 17.2 Mr Dixon's question tabled at paragraph 15.2.2 was answered. The Head Of Property clarified that a meeting had been held to prepare for a report to Committee about Scottow Enterprise Park,. More information would be included in a report in January 2018. The Leader was keen to see a master plan for the whole site and the report would consider the site on this basis.
- 17.3 The Committee:
- **NOTED** that none of the 5 vital signs that fall within the remit of this Committee had met the exception reporting criteria;

18. Norwich Airport Industrial Estate

- 18.1 The Committee received the report outlining plans to look into investment and improvements in the Norwich Airport Industrial Site.
- 18.2 Mrs Vincent **raised concerns over road access for local housing, regarding using existing infrastructure for housing and the impact this would have on local residents.* The Assistant Director of Planning and Economy clarified that delivery of additional infrastructure had been factored into plans and discussions were being held with the City Council regarding mitigations for the estate. Negotiation was underway with developers regarding the East West Link Road but no details were available at that time regarding timescale of delivery.
- 18.3 The Committee **AGREED** to:
1. Acknowledge that the Norwich Airport Industrial Estate required substantial investment to realise increased asset value, growth in nondomestic rates, increased rental income and employment growth;
 2. The commission of the existing consultant to procure a partnership vehicle that would balance risk with the desired benefits, the details of the procurement brief and approach would be presented to a future B&P Committee meeting;

**These minutes were amended at the meeting of 20 November 2017; please view those minutes to see the amendments made*

3. The details of the proposed type of joint venture would be presented to a future B&P Committee meeting;
4. The commencement of the residential element in the “Southern Development Zone” through Norwich City Council’s development company;
5. Acknowledge that “mirror” recommendations would be presented to Norwich City Council Cabinet.

19. County Farms Update

- 19.1 The Committee considered the update of activity on the County Farms Estate since the last Committee meeting.
- 19.2.1 The Committee were invited to attend the annual tenants meeting on the 16 November 2017.
- 19.2.2 Business planning of land purchases was queried; the Head Of Property clarified that independent assessments of land were undertaken by an agricultural consultancy prior to purchase. Norfolk County Council had recently undertaken rent reviews and a number of increases had been made.
- 19.2.3 The future plans for County Farms were queried. The Head Of Property confirmed a number of disposals were planned, ranging in size, regarding which discussions were underway. Information would be brought in a future report to Committee.
- 19.3 The Committee:
 1. **NOTED** the recent management activity and Tenant’s successes on the County Farms Estate.
 2. **AGREED** the emerging strategies and specific proposals for the Stow & Marshland Estate and Welney Estate.

20. County Farms objective and policies, tenant selection process and acquisition criteria

- 20.1 The Committee received the report for periodic review by Members of the County Farms’ objectives and policies.
- 20.2.1 The Head Of Property pointed out that this report would go to Policy and Resources Committee as part of their remit to approve changes to policy.
- 20.2.2 Mr Timewell suggested adding into appendix 3, criteria considerations to be given for future sale in the right areas.
- 20.3 The Committee **RECOMMENDED** to Policy and Resources Committee that they formally:
 - (i) **ADOPT** the County Farms Estate objectives and policies as detailed in appendix 1 of the report;
 - (ii) **ADOPT** the tenant selection process as detailed in appendix 2 of the report;
 - (iii) **ADOPT** the acquisition criteria as detailed in appendix 3 of the report.

21. Exclusion of the public

- 21.1 The Committee were asked to agree to exclude the public during discussion of the exempt minutes and item 23, Norfolk One Public Estate Partnership Update.
- 21.2 The Chairman read out the reasons for the exclusions to the Committee.
- 21.3 The Committee **AGREED** to exclude the public during discussion of items 22 (exempt minutes) and 23 (Norfolk One Public Estate Partnership Update).

22. Exempt Minutes

- 22.1 The Exempt minutes of the meeting held on the 8 September 2017 were agreed as an accurate record and signed by the Chairman.

23. Norfolk One Public Estate Partnership Update

- 23.1 The Committee considered the report by the Executive Director of Finance and Commercial Services.
- 23.2 The Committee **AGREED** the recommendations in the report.

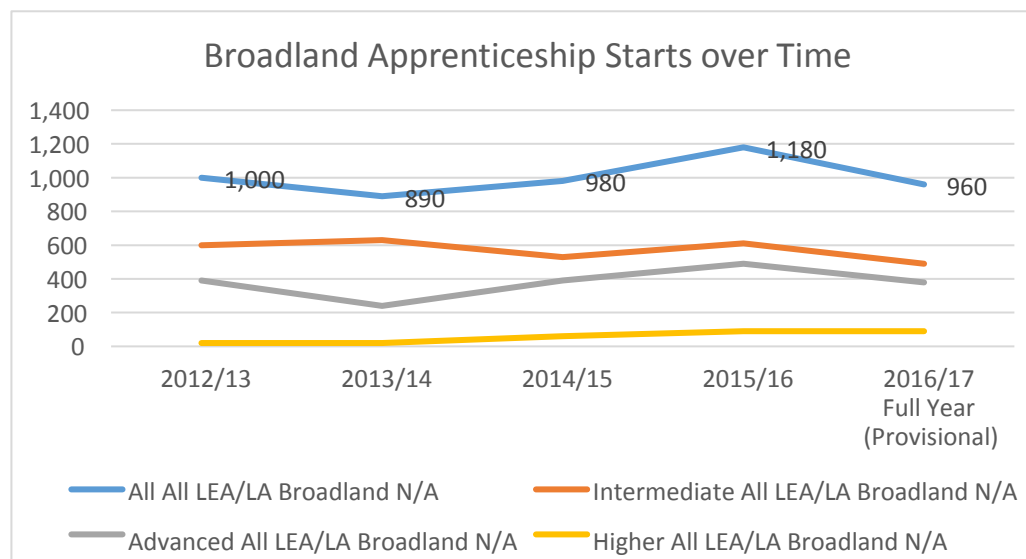
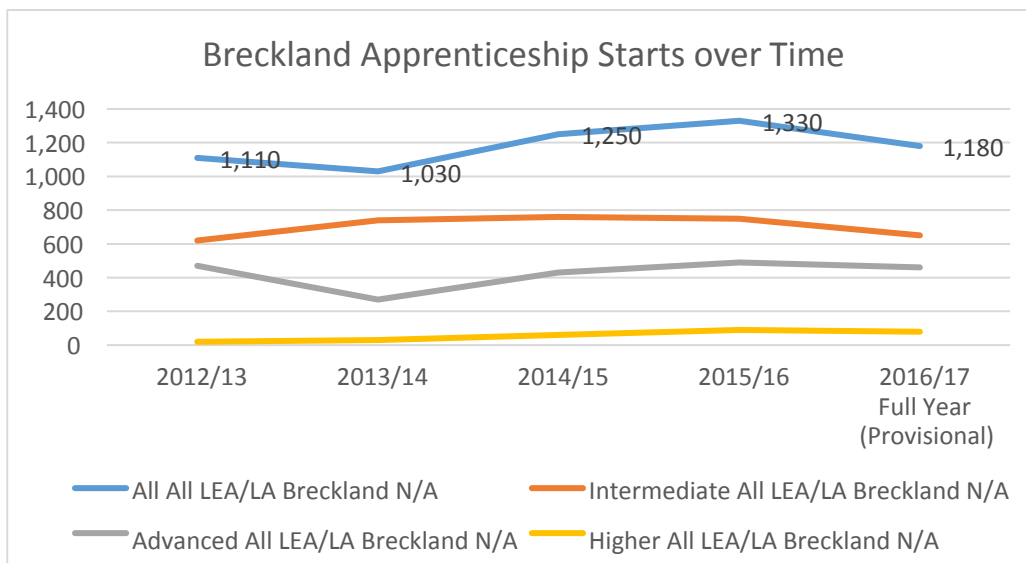
The meeting closed at 11:33am

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

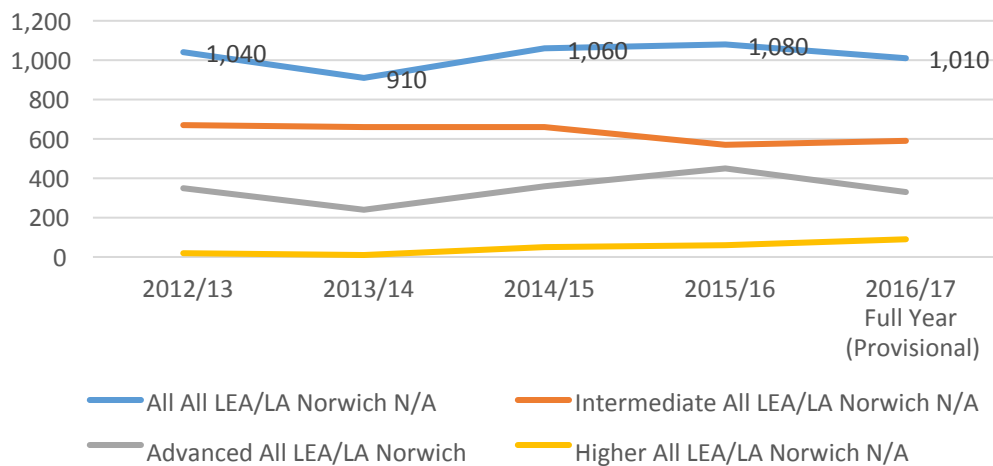


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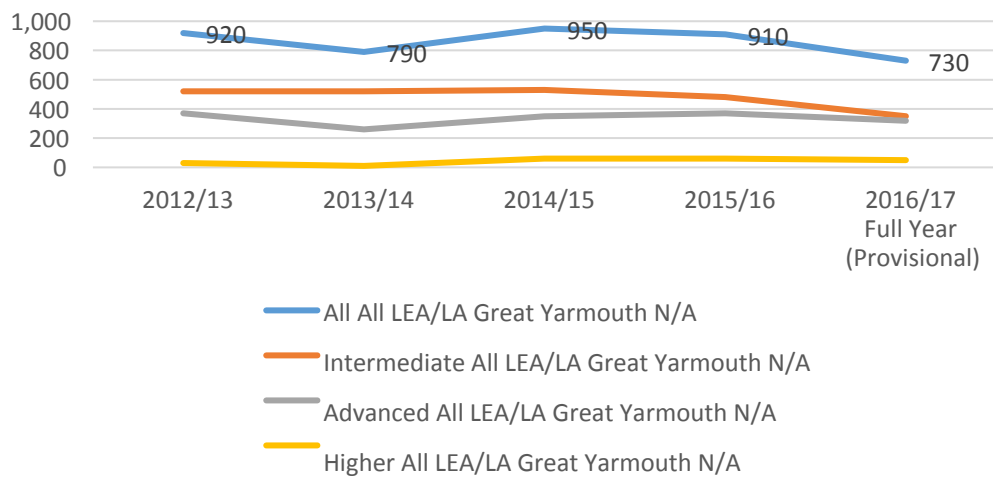
Apprenticeship - Starts								
Region	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17 Full Year (Provisional)	Difference	% +/-
Norfolk	7,640	7,210	6,270	7,290	7,670	6,580	-1,090	-14.2
East of Eng	45,820	46,220	40,430	45,790	46,650	44,390	-2,260	-4.8
England	515,000	504,200	434,600	494,200	503,900	485,500	-18,400	-3.7



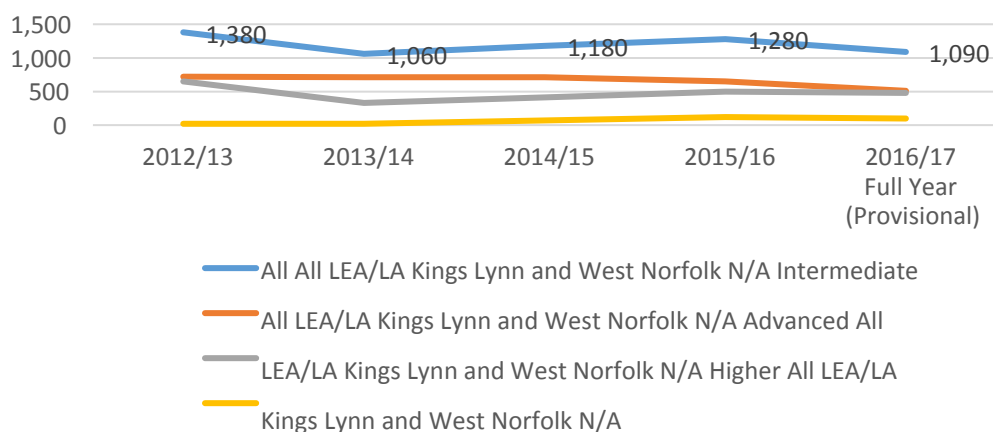
Apprenticeship Starts in Norwich over Time



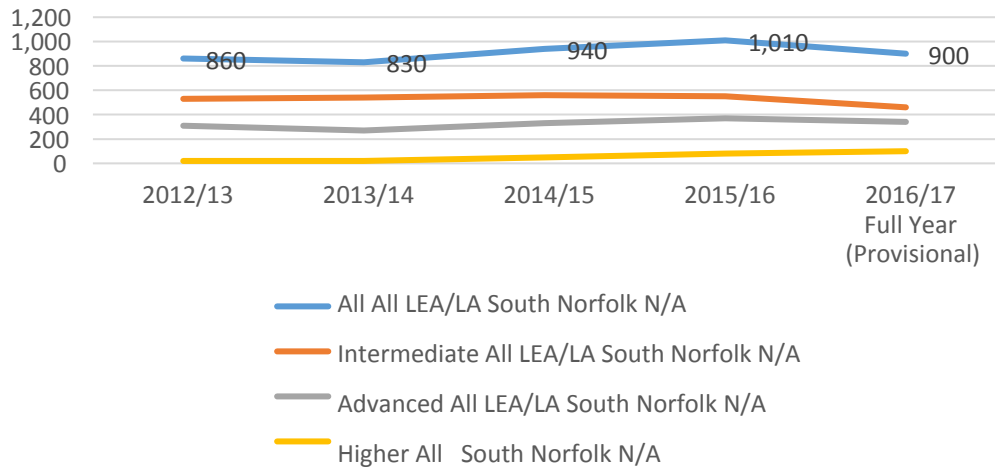
Apprenticeships Starts in Great Yarmouth over Time



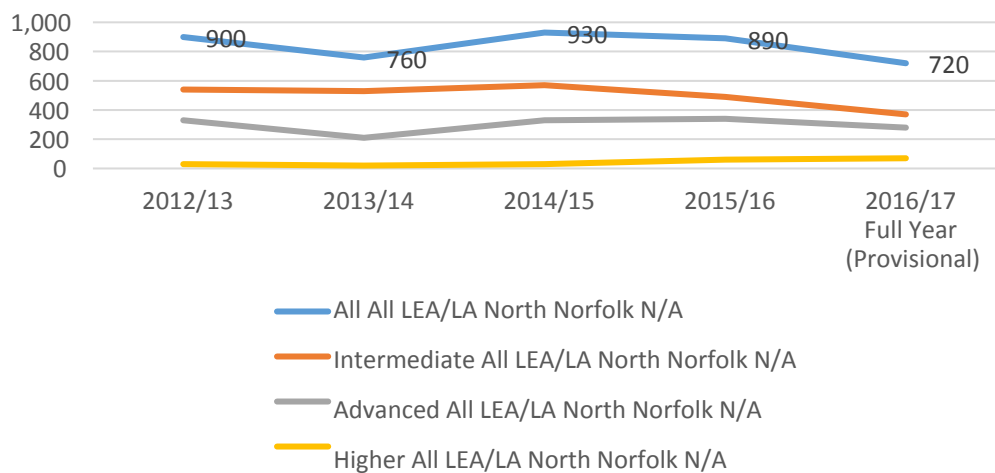
King's Lynn and West Norfolk Apprenticeship Starts over Time



Apprenticeship Starts in South Norfolk over Time



North Norfolk Apprenticeship Starts over Time



Apprenticeship Starts In Norfolk All Age and All Level

