

Business and Property Committee

Minutes of the Meeting held on Tuesday, 20 June 2017 at 2pm in the Edwards Room at County Hall

Present:

Mr K Kiddie (Chairman)

Mr S Aquarone

Mr R Brame

Mr D Douglas

Mr T Garrod

Mr B Iles (Vice-Chairman)

Mr A Jamieson

Mr T Jermy

Mr M Kiddle-Morris

Mr C Smith

Mr J Timewell

Mrs K Vincent

Mrs C Walker

1. Apologies and Substitutions

- 1.1 Apologies were received from Ms C Bowes (Mr T Garrod substituting).

2. Welcome and Introductions

- 2.1 The Chairman welcomed Members and Officers to the first meeting of the Business and Property Committee and invited Members to work together to do the best for the people of Norfolk. Members and Officers introduced themselves.

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;
 - Mrs K Vincent declared a “non-pecuniary interest” as her husband was Executive Director of Broadland Growth Limited;
 - Mr S Eyre declared a “non-pecuniary interest” as a member of Nar Ouse Regeneration Area (NORA);
 - Mr D Douglas declared a “non-pecuniary interest” as member of the cooperative board for the directive of Norfolk.

4. Purpose of the Business and Property Committee

- 4.1 The Chairman introduced a short report outlining the purpose and remit of the new Business and Property Committee.
- 4.2.1 It was noted that the, now retired, Economic Development Sub-Committee had looked at County-wide economic development. The importance of Business and Property Committee’s remit to include consideration of economic development

across Norfolk as a whole was discussed.

- 4.2.2 Some Members felt presentations from invited guests had been useful to highlight links and potential business links when considering economic development across the County, and would like to consider this for Business and Property Committee.
- 4.2.3 The difference in role of the Business and Property Committee and the role of Policy and Resources Committee in allocation of assets was queried. The Executive Director of Finance and Commercial Services clarified that these decisions had been transferred to Business and Property Committee.
- 4.2.4 The importance of the Committee seeking outside advice was raised. The Executive Director of Finance and Commercial Services confirmed that Officers sought external advice when appropriate.
- 4.2.5 The benefits to new Members of visiting sites, such as Scottow Enterprise Park, was discussed; The Head of Property and the Assistant Director of Planning and Economy **agreed** to arrange visits to sites across County for interested Members.

5. Urgent Business

- 5.1 A discussion was held regarding the recent fire at Grenfell Tower, and queries received regarding the safety of County Hall since its refurbishment in light of this.
- 5.2 The Head of Property expressed sympathies on behalf of the Committee for those affected by the tragedy. Although it was too early to know the factors causing the fire at Grenfell Tower, to ensure adequate fire safety it was important to ensure suitable compartmentation, fire escape routes, evacuation plans and firefighting equipment. He confirmed Norfolk County Council had 3 buildings with aluminium cladding including County Hall and 2 lease-hold buildings; work was being carried out with these buildings. During the refurbishment of County Hall, cladding with a 0 rating (the highest rating), fire barriers between each floor and fire sprinklers were installed. There were 2 pressurised stairwells each providing 90 minutes of refuge; staff would continue to undergo training and regular fire drills and Officers would continue to ensure fire safety procedures were updated based on lessons learned.
- 5.3 It was **confirmed** that condolences would be sent on behalf of Norfolk County Council to victims of the fire from the Chairman of the Committee.
- 5.4 A concern was raised about lack of sprinklers in council owned buildings, including schools.

6. Public Questions

- 6.1 No public questions were received.
- 6.2 Mr Aquarone left the meeting at 2:19pm.

7. Member Questions / Member Issues

- 7.1 Two questions were received from Cllr A Kemp and Cllr I Mackie, see appendix A.

- 7.2.1 Cllr Kemp asked a supplementary question: she felt the response was unacceptable to the people of King's Lynn as the site would not be safeguarded until it came out of the waste plan; she asked if the Committee would consult with the people of King's Lynn; she planned to conduct her own consultation with the New Anglia Local Enterprise Partnership (LEP) and considered this an issue of social and economic value.
- 7.2.2 The Assistant Director of Planning and Economy replied that a response would be forwarded on to Cllr Kemp.
- 7.3 It was **confirmed** that the County Farms Advisory Board was no longer in function.

8. Appointments to internal and external bodies

- 8.1 The Committee considered appointments to be made to internal and external bodies relevant to the Committee for the municipal year 2017-18; see Appendix B.
- 8.2.1 There were 2 proposals for the position of Apprenticeships Champion, Mrs Colleen Walker and Mr Stuart Clancy.
- 8.2.2 Upon being put to a vote, the Committee **APPOINTED** Mr S Clancy as Apprenticeships Champion.

9. Forward Plan and update on decisions taken under delegated authority

- 9.1.1 The Committee received the report outlining the Forward Plan for the period September 2017 - March 2018, and providing detail on delegated decisions taken by Officers.
- 9.1.2 It was noted that on page 20 of the report, Emneth School and Seething Primary School were inserted twice by error.
- 9.1.3 The Executive Director of Finance and Commercial Services confirmed that as buildings were taken out of Norfolk County Council's property estate over the next 2 years the most expensive buildings would be prioritised.
- 9.1.4 It was confirmed a member protocol was in place to feed information on disposals and acquisitions to local members and seek feedback.
- 9.1.5 The Executive Director of Finance and Commercial Services clarified that there was not yet a list of assets of the Property Development Company; assets would be purchased on a case by case basis. He **agreed** to make available to Members a list of possible future property purchases.
- 9.1.6 A County Farms update would be brought to every meeting unless there was no business to report.
- 9.1.7 Acquisition of office space in Long Stratton was queried. The Head of Property **agreed** to bring back further details on this.
- 9.1.8 It was **agreed** to put member briefings and site visits on the forward plan.

9.1.9 The Assistant Director of Planning and Economy confirmed that regular updates on Enterprise Parks, including Scottow Enterprise Park, would be brought to the Committee.

9.2 The Committee **NOTED** the forward plan with the additions discussed above.

10. Risk Management

10.1 Members received the Committee's first risk management report since constitution in May 2017. This report provided the latest departmental level risks as at May 2017 following a review conducted at the end of April 2017.

10.2 A breakdown on how carbon reduction risk related to the Business and Property Committee was requested; the Risk Management Officer **agreed** to find this information.

10.3 The Committee:

a) **CONSIDERED** and **NOTED** the risks judged as exceptions (in paragraph 2.2 and Appendix A of the report), and the other departmental risk relating to Property (in Appendix D of the report);

b) **AGREED** that the recommended mitigating actions identified in Appendix A of the report were appropriate;

c) **CONSIDERED** and **NOTED** the definitions of risk appetite and tolerance in Appendix C of the report.

11. Performance Management

11.1 Members received the first performance management report based on the revised Performance Management System implemented as of 1 April 2016.

11.2.1 Employment data was suggested for the next report; the Assistant Director of Planning and Economy **agreed** to add this to the next performance monitoring report. It was noted there would be a lag as data was collected annually.

11.2.2 Updates on the third river crossing for Great Yarmouth and improvements to the Acle Straight were requested. The Chairman noted that while building of the bridge fell under the remit of Environment, Development and Transport Committee it opened up economic benefits for the County. The Assistant Director of Planning and Economy **agreed** to circulate informal updates to Members.

11.2.3 The Senior Analyst confirmed that an update on Apprenticeships would be reported at the next meeting.

11.2.4 The Assistant Director of Planning and Economy confirmed that colleagues across Adult and Children's Services were working on a project for apprenticeships for people with learning disabilities.

11.3 The Committee **NOTED** that none of the 4 vital signs that fall within the remit of this Committee met the exception reporting criteria.

12. Asset Management Plan – Annual Review and Property Performance Report

- 12.1 The Committee received the report summarising progress against the Asset Management Plan 2016-19 in 2016-17, changes to service requirements and other developments in asset management with implication for property priorities.
- 12.2 The Committee **NOTED** the contents of the report.

13. Direct Property Development Company

- 13.1 Members received the report proposing the establishment of a new Limited Company to undertake property development using land identified as surplus to County Council use.
 - 13.2.1 A more detailed business plan would be brought back to committee later in the year.
 - 13.2.2 The Executive Director of Finance and Commercial Services clarified the company would be wholly owned by Norfolk County Council who would be the shareholder. There was a strong business case for getting into this area of work.
 - 13.2.3 Reservation was raised over paragraph 3.5 and it was suggested that instead of hiring staff, corporate property team staff could be used, with the company paying for expertise when needed. It was suggested that a revenue charge on top of this cost would source income for Norfolk County Council. The Executive Director of Finance and Commercial Services noted this suggestion.
 - 13.2.4 Paragraph 3.7 “free company” was queried; the Monitoring Officer confirmed it would be a council owned company.
 - 13.2.5 The Executive Director of Finance and Commercial Services agreed to confirm who the Company Secretary would be.
 - 13.2.6 The Executive Director of Finance and Commercial Services confirmed that the Committee would decide on disposal of Council assets by selling at full market value to the property development company or on the open market, and would provide guidance on the type of purchases the company should undertake. He **agreed** to bring back more information on governance at the next meeting. Initially, the company would look at buying Norfolk County Council assets.
 - 13.2.7 The Chairman and Vice-Chairman gave background on their experience in property and property development, as directors of the development company.
- 13.3.1 The name of the company was discussed. There were proposals for Boudicca, Walpole and Repton. All were in favour of “properties” or “development” rather than “property development” or “homes”.
- 13.3.2 With 3 votes for Boudicca, 4 votes for Walpole and 5 votes for Repton, the Committee **SELECTED** the name “Repton Developments”.

The Committee **AGREED** (with reservations raised in paragraph 13.2.3):

1. To **RECOMMEND** to Policy & Resources Committee the establishment of a commercial property development company and instruct officers to register the company with Norfolk County Council as the sole shareholder;

2. To **CONFIRM** that the primary purpose of the company would be to generate income streams to support service delivery;
3. To **CONFIRM** the composition of the Company Board to include 2 County Councillors, 2 external Non-Executive Directors and 4 County Council Officers;
4. To **APPOINT** two Councillors - Councillor K Kiddie and Councillor B Iles - as the founding directors of the new company. Directors would be appointed annually, as part of the process for appointment to external bodies;
5. To **AGREE** that the company would be offered suitable Norfolk County Council surplus properties and other assets, suitable for development, at full market value (each proposed disposal would be reported to committee in accordance with the usual disposal process);
6. To **ENDORSE** the business objectives and operating model for the company and **NOTE** that the Board of the new company would focus on the development of a 5 year business plan, to be reported to the Business and Property Committee before commencing trading;
7. **SELECTED** a name for the new company from the list suggested in the report: Repton Developments

14. Exclusion of the public

- 14.1 The Committee considered excluding the public whilst agenda item 15 (Property Acquisition) was discussed and was presented with the following public interest test, as required by the 2006 Access to Information Regulations for consideration by the Committee:

“This report considered the strategic acquisition of a significant site in Norfolk with the aim to promote economic growth.

This exemption was requested to ensure the County Council's position was maintained through the negotiation period for a site where it was understood there had been little market interest. There was a perceived risk that by the Council showing its interest in a particular site the market becomes more animated and the asking price was likely to increase.

For this reason it was concluded that the public interest in maintaining the exemption outweighs the public interest in disclosing the fact the council was interested in purchasing this site.”

- 14.2 The Committee **RESOLVED** to exclude the public from the meeting while the report was considered.

15. Disposal and Acquisition of Properties

- 15.1 The Committee received and discussed the exempt report by the Executive Director of Finance and Commercial Services.
- 15.2 The Committee **RESOLVED** to agree the recommendations contained within the report.

The meeting closed at 15:45

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



If you need this document in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.

MEMBER/PUBLIC QUESTIONS TO BUSINESS AND PROPERTY COMMITTEE: 20 JUNE 2017

7. MEMBER QUESTIONS

7.1 Question from Cllr Alexandra Kemp

The Leader announced the Willows site will not be in the next County Waste Plan; can the Committee, in response to the extreme disquiet in West Norfolk at officers' proposal to recommend the sale of the Willows site, while it is still in the County Waste Plan for any form of waste treatment including incineration, confirm the Committee rejects this option, which puts the future safety and local control of the site in peril, if transferred into the wrong hands, as restrictive covenants can be discharged by the Land Tribunal; and County varied a covenant on the land in 2011.

Response by Chairman of Business and Property Committee

Cllr Kemp is correct that the Leader has made it clear that the 'Willows Site' will not be used for any waste purposes and the process will now begin to remove the site from the Waste Local Plan.

On Monday 12 June 2017 – officers including the Executive Director, Chief Legal Officer, and Head of Property met with the Councillor to set out the process for bringing the land into an alternative use. Currently the groundwork is being explored, prior to bringing a report to the Business and Property Committee (planned for September 2017). This will set out the various options for the Committee to consider.

In order for the Council to comply with the Best Value legislation, it is important that it considers all options, including the disposal of the freehold. The report to Committee will need to set out the benefits and risk of different options. This would include an objective, legal assessment of the enforceability of covenants to prevent the site from being used for any 'waste purposes' regardless of the designation in the Local Waste Plan.

Therefore the committee should wait until it receives the report, prior to making any decisions on the marketing of the site.

7.2 Question from Cllr Ian Mackie

As part of the Economic Development Sub Committee, since 2013 there has been a cross party County Farms Advisory Board to help advance the county estate. This was agreed at Full Council as Council Policy in regards to the County Farms Estate Policy. Following the Audits in 2016/17 the county farms estate with a new enhanced officer team have made significant strides in the management of the estate. There has been a great deal of work in creating strategic plans for each farm and in building positive relationships with our tenants, local colleges and third sector

groups. Finally, the Farms Board was looking at a full disposal and acquisition plan in detail in support of the council's strategic objectives. My question is therefore: given the £2m income generated to the Council, and the detailed activities of the farms estate, will the new Business and Property Committee re-establish and appoint a working group/farms board from across the council and parties at its earliest opportunity to provide continuity and assurance to our farming community?

Response by Chairman of Business and Property Committee

County Farms remain a key priority for Norfolk County Council.

Within the agenda for the B&P Committee on 20 June 2017 (under item 4) the rationale and various responsibilities of the committee are set out. This includes the 'oversight and development of County Farms'. Through the creation of the new committee, there is additional capacity for Councillors to take on the activities of the former County Farms Advisory Board (CFAB) and to integrate this work into the oversight and management of a varied £885m estate.

I am confident that this Committee is more than capable of undertaking the activities and function of CFAB. Additionally it is important that as the committee has the delegated authority to make decisions regarding the agricultural estate, we should take on the lead on these issues. However, should the committee feel that it requires additional resource, we may of course look to commission additional support in the future.

This will provide the continuity and assurance that Cllr Mackie and our farming tenants require.

Business and Property Committee - Outside Bodies

2017/18 Appointments shown

1. Agri-Tech (Eastern) Programme Board (1)

Claire Bowes

This body makes decisions on the eastern Agri-Tech Growth Initiative Programme Board about which projects to fund from this specific Regional Growth Funded scheme.

2. BID (Norwich Business Improvement District) (1)

Steve Morphey

The Norwich BID is run for local businesses by local businesses. It aims to make a clear positive impact on the vitality of the City centre and the business within it.

3. Norwich Airport Consultative Committee (1)

Shelagh Gurney, (Sub David Collis)

These meetings are a DfT requirement to enable aerodrome operators and communities in the vicinity of the airport to discuss operational and business matters affecting their interests.

4. Norwich Airport Board (Non-Executive Director) (1)

Cliff Jordan (Sub Alison Thomas)

5. Norfolk Rail Group (4)

Tony White
Brian Long
Tim East
Joe Mooney

To consider strategic rail policy issues and respond to such issues as they arise, and lobby and pursue rail policy objectives on a continuing basis between Norfolk Rail Policy Group meetings.

6. Norfolk Chamber of Commerce and Industry (1)

Alison Thomas

Norfolk Chamber of Commerce is an independent, not-for-profit Company that aims to support its membership be more successful and to improve the Norfolk economy.

7. Thetford Development Board (1)

Roy Brame

8. New Anglia Skills Board for Norfolk and Suffolk (1 plus 1 Substitute)

Brian Iles (Sub Colleen Walker)

A sub group of the LEP Board which is tasked with steering the implementation of the Greater Norwich/ Greater Ipswich City Deals and the Strategic Economic Plan. Membership consists of representatives of the Further Education sector and training providers with employers. Both Norfolk and Suffolk County councils are represented and can nominate a substitute.

9. Great Yarmouth Town Centre Partnership Company (Gt. Yarmouth) Ltd (1)

Mick Castle

The Partnership meets and discusses all relevant issues concerning the Town Centre.

10. Hethel Innovation Ltd (2)

Keith Kiddie
Colin Foulger

Runs Hethel Engineering Centre and provides innovation-led business support to businesses in Norfolk/East of England.

11. Eastport – Community and Marine Liaison Committee (1)

Ron Hanton

To exchange information, ideas and proposals for discussion between the constituent interest groups and the Port's CEO and Harbour Master, thus improving co-ordination and understanding between the different port users and interest groups within Great Yarmouth with relevance to the operations of the Port.

13. Great Yarmouth Development Company - Area Board (1)

Colleen Walker

The Norfolk Development Company was established to promote economic development on behalf of the local authorities of Norfolk, with an initial emphasis on physical regeneration and development. The company provides a structure for joint ventures which enables new projects to be agreed and implemented more quickly. Individual companies can be established – the first

to do so was the Great Yarmouth Development Company, a 50-50 partnership between the County Council and Great Yarmouth Borough Council. The agreement states the representative should be the lead member for Economic Development

14. Royal Norfolk Agricultural Association (1)

Keith Kiddie

The objectives of the Association are to promote, through the Royal Norfolk Show and other events, the image, understanding and prosperity of agriculture and the countryside.

Member Champions

Apprenticeships – Stuart Clancy

County Farms – Post deleted

Rail – Brian Long