



Business and Property Committee

**Minutes of the Meeting held on Tuesday, 09 October 2018 at
10:00 in the Edwards room at County Hall**

Present:

Mr B Stone (Chairman)

Mr T Adams

Ms C Bowes

Mr R Brame

Mr F Eagle

Mr A Jamieson

Mr I Mackie

Mr M Sands

Mr C Smith (Vice-Chairman)

Mr J Timewell

Mrs K Vincent

Mrs C Walker

Mr T White

1. Apologies and Substitutions

- 1.1 Apologies were received from Mr T Jermy (Mr M Sands substituting) and Mr M Kiddle-Morris (Mr T White substituting).

2. Minutes

- 2.1 The minutes of the meeting held on the 4 September 2018 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 Commercial and Financial Services declared an "Other Interest" as a Director of Equinox Enterprises in Great Yarmouth
 - The Chairman declared an "Other Interest" as a Board Director of Repton Property Developments
 - The Vice Chairman declared an "Other Interest" as a Board Director of Repton Property Developments
 - Mr Sands declared an "Other Interest" as he sat on the City Council where some of the topics on the agenda were discussed
 - Mr Jamieson declared an "Other Interest" as a Norse Groups Board member
 - Mrs Vincent declared an "Other Interest" as Norse Group Council Representative
 - Mr Timewell declared an "Other Interest" as a Director of a company leasing a premise at Scottow Enterprise park

4. Urgent Business

- 4.1 The Chairman proposed a change in membership on the Royal Norfolk Agricultural Association from Mr K Kiddie to himself. The Committee **agreed** the change.

5. Public Questions

- 5.1 One public question was received and the answer circulated; see Appendix A.
- 5.2.1 Mr Kearns asked a supplementary question; there was a dispute over the existence

of a restricted covenant on the land, for youth services. Mr Kearns had been told that the deeds did not contain information which restricted use of the site; he asked if the covenant had been filed elsewhere and what restrictions there would be if the land was used by other parties.

- 5.2.2 The Council was bound by transparency and openness rules and the Head of Property replied that the Council and Lead Advisors from NPLaw had carried out a thorough search; the covenant or information related to it had not been found. If any third party had information on this the Council would gratefully receive it.

6. Member Questions

- 6.1 No Member questions were received.

7. Verbal update from Members of the Committee about Member Working Groups or bodies that they sit on.

- 7.1 The Chairman had attended a Hethel Engineering board meeting. The site was at 100% occupancy in all 3 areas and Scottow Enterprise Park had 90% occupancy; both were on course to produce their stated income revenue streams and profits.
- 7.2 Mr F Eagle met with the Agritech East Board who had awarded money to Tropic Biosciences at the Norwich Research Park to help them investigate and protect against diseases in and protect the shelf life of bananas in transport, creating 4 jobs

8. Forward plan

- 8.1.1 The Committee reviewed the forward plan and delegated decisions taken by Officers.
- 8.1.2 A proposed forward plan of future reports was circulated; see appendix B.
- 8.2 The Committee
1. **REVIEWED** the Forward Plan at Appendix A
 2. **AGREED** the delegated decisions

9. Finance monitoring

- 9.1 The Committee received the report with information on the revenue budget position for services reporting to Business & Property Committee for 2018-19, use of reserves and details of the capital programme.
- 9.2.1 The forecast overspend was queried; the Executive Director of Finance and Commercial Services clarified that getting out of some buildings took longer than planned, making building costs higher than predicted; it was hoped the spending gap could be bridged by looking at phasing of expenditure and crediting of income.
- 9.2.2 A Member recalled discussions with Lotus about a land swap; the Executive Director of Community & Environmental Services reported that the last discussions were held some 2 years prior and Officers were awaiting further discussions with the new owners of Lotus. The Executive Director of Community & Environmental Services **agreed** to bring a report when more information was available on the matter.
- 9.3 The Committee **AGREED**:
- a) The 2018 – 19 revenue position for this Committee
 - b) The 2018 – 19 to 2020 - 21 capital programme for this Committee
 - c) The 2018 - 19 reserves position for this Committee

10. Strategic and Financial Planning 2019-20 to 2021-22

- 10.1.1 The Committee considered the report providing an update on the Committee's detailed planning to feed into the Council's budget process for 2019-20.
- 10.1.2 Table 1 showed buildings targets for Repton Homes and for getting out of buildings, some of which were no longer achievable and would be moved forward 3 years. More capital receipts would be found in 2021 and 2022.
- 10.1.3 Table 5 indicated a new saving of increased surplus from Scottow Enterprise Park which would be delivered by reviewing site running costs & increasing site revenue.
- 10.2.1 The Executive Director of Finance and Commercial Services clarified that buildings for sale and timescales had not been agreed. Property savings of £10m per year had been agreed as achievable.
- 10.2.2 Concern was raised about selling off Council property too readily; the Chairman noted that all options were explored before disposal was considered.
- 10.2.3 Concern was expressed that cuts were being referred to as savings and gaps, and that the level of cuts should be conveyed to government.
- 10.2.4 The Executive Director of Finance and Commercial Services confirmed there was a 25-year business rate exemption for businesses on the Enterprise Park; this did not impact on forecasts as Government paid the rates they would have paid into the rent.
- 10.3 The Committee:
- 1) **CONSIDERED** the content of the report and the continuing progress of change and transformation of Business & Property services
 - 2) **AGREED** the Council's latest budget assumptions and pressures, and the resulting revised forecast budget gap of £45.322m, which had been updated by Policy and Resources Committee to reflect the latest available information and following Service Committee input in September (paragraph 4.3 and table 1 of the report)
 - 3) **AGREED** the revised council tax planning assumptions set out in table 2 of the report
 - 4) **APPROVED** the proposed savings for the 2019-20 budget round for recommendation to Policy and Resources Committee in October 2018 (table 5 of the report), in particular, **CONFIRMING** those savings that were recommended to require consultation as set out in paragraph 6.4 of the report
 - 5) **CONSIDERED** key areas of risk in relation to 2019-22 budget planning for the Committee's budgets, including any additional pressures and the robustness of existing planned savings as set out in table 4 of the report, **NOTING** that any changes may impact on the overall budget gap and would require additional offsetting savings to be found
 - 6) **AGREED** the budget planning timetable (section 7 of the report)

11. Performance management

- 11.1 The Committee received the report based upon the revised Performance Management System, which was implemented as of 1 April 2016.
- 11.2.1 Setting targets for performance indicators was suggested; the Executive Director of Finance and Commercial Services **agreed** to bring information to a future meeting.

- It was queried whether the monthly apprenticeship targets could be met, noting that
- 11.2.2 the website had been experiencing technical issues. The Employment and Skills Manager replied that Officers were working hard, however, the service was unlikely

to meet targets due to changes brought about by national reforms. IMT (Information Management Team) were working hard to get the website operational; in the meantime, support could be given by phone or in person.

- 11.3 The Committee **REVIEWED** and **COMMENTED** on the performance data, information and analysis presented in the body of the report and **DETERMINED** that the recommended actions identified were appropriate.

12. Risk Management

- 12.1.1 The Committee reviewed the report showing the latest departmental level risks as at October 2018, following the latest review conducted in September 2018.

- 12.1.2 The Head of Property reported that the carbon reduction target had been met as of September 2018; Officers would monitor the trend and review in December 2018.

- 12.2 The Committee **CONSIDERED** and **AGREED**:

- a) The reconciliation report in Appendix A of the report, which is designed to detail any significant changes to the Committee's corporate and department level risks
- b) Risk RM14200 - Failure to meet NCC Carbon Reduction Target presented for information purposes to provide Members with sight of the latest carbon reduction percentage figure at Appendix B of the report
- c) The summary of current corporate and departmental level risks for this Committee in Appendix C of the report
- d) The list of possible actions, suggested prompts and challenges presented for information in Appendix D of the report
- e) The background information to put the risk scoring into context, shown in Appendix E of the report

13. Update on the business and intellectual property centre

- 13.1 The Committee received the report on progress made with the British Library to develop and deliver a Norfolk based Business and Intellectual Property Centre (BIPC) in the Norfolk and Norwich Millennium Library; the Chairman recommended that Members visited the centre.

- 13.2 In response to queries by Members the following information was noted:

- Support was by appointment but staff were trained to discuss intellectual property; business, product & competitor information was available to take away
- A grant by the Arts Council and British Library was given in 2014 to develop the Business Library at the Millennium Library so the costs of running the BIPC came under the Library Service budget; grants were applied for to run training
- Information would be **sent** to Mrs C Walker on the costs of running the BIPC
- The centre relied on pro-bono work, such as from solicitors and legal firms
- The centre was marketed via a newsletter, Facebook, Twitter, the Norwich Chamber of Commerce, Job Centres and attendance at business events
- The centre hoped to roll out services across the County to areas which found it harder to reach the centre; the Head of Libraries and Information encouraged Councillors to promote the centre where possible.
- The Head of Libraries and Information **agreed** to find out whether the BIPC was promoted and linked to on the County Council website

- 13.3 The Committee **NOTED** the content of the report.

14. Disposal acquisition and exploitation of properties

14.1 The Committee considered proposals in the report to exploit properties surplus to operational requirements, pro-actively release property assets with latent value where operational needs could be met from elsewhere and strategically acquire property to drive economic growth and wellbeing in the County.

14.2.1 Discussion was held about Recommendation 1:

- The Head of Property clarified this land was acquired as part of a larger acquisition; part was used as a fire station and part for houses. Since the houses had been sold off the land in question was vacant and not of operational use.

14.2.2 Discussion was held about recommendation 4:

- The Chairman felt this would help to enhance Scottow Enterprise Park
- The Chairman clarified that Swift carried out aircraft maintenance and built small aircraft; Members discussed the possibility of a future visit to the company
- It was suggested that a Business and Property Committee meeting could be held at the Hethel Engineering Centre in the future and noted that development here would bring 90-100 jobs to Norfolk

14.2.3 Discussion was held about recommendation 6:

- Mr R Brame, as local Member, thanked the Committee for bringing this for discussion; the local Community and Community Organisations in Thetford were looking at ideas for the site and had asked for disposal to be postponed to give them time to put business plans together
- Mr Brame **proposed**, seconded by Mr Mackie, *that action on this site was deferred until the end of 2018 to allow the community and community groups to come forward with business plans, which would include a full purchase price of the value, for the Committee to appraise.* The Committee **agreed** the proposal
- Discussion was held over Adult Social Care's previous investigations into the site for use, and their decision that it did not meet their requirements
- The Executive Director of Finance and Commercial Services clarified that the site had been declared surplus at a previous Committee meeting; if the proposal was agreed, the site would remain surplus. The Head of Property confirmed that if a viable community interest was not brought forward, the building would be put up for auction

14.2.4 A Member suggested that if Councillors knew about sites in their constituency areas, they could encourage development on them, via the community or the Council.

14.2.5 Discussion was held on recommendation 7:

The Chairman clarified that the report recommended the site be disposed of in February 2019 only if local organisations did not come forward with suitable viable business options.

14.3 The Committee:

- (i) **FORMALLY DECLARED** the land at Jeffery Close, King's Lynn surplus to County Council requirements and instructed the Head of Property to dispose of the land. 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 beneficial offer and report the fact at a subsequent B&P Committee meeting
- (ii) **FORMALLY DECLARED** the Land at Burlingham Barn. Lingwood and Burlingham surplus to County Council requirements and instructed 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 beneficial offer and report the fact at a subsequent Business and Property Committee meeting
- (iii) **AGREED** to the acquisition of a lease with Norwich City Council for the Castle Museum and Art Gallery, Norwich for 25 years at a rent of a peppercorn (if demanded) and instructed the Head of Property to agree the final details of the lease in consultation with the Executive Director of Finance & Commercial Services and Chair of Business and Property Committee
 - (iv) **AUTHORISED** the Executive Director of Finance & Commercial Services and Head of Property arrange for Norfolk County Council to enter in to a lease with Swift TG Maintenance Limited for Hanger 3 at Scottow Enterprise Park
 - (v) **AUTHORISED** the Executive Director of Finance & Commercial Services and Head of Property arrange for Norfolk County Council to enter in to a lease with Swift Technology Group Limited for Hanger 2 at Scottow Enterprise Park and agree to the change of break clause provision to any time on 12 months-notice
 - (vi) **REVIEWED** its previous decision to declare Elm Road, Thetford surplus and:
 - **ASKED** that action on this site was **DEFERRED** until the end of 2018 to allow the community & community groups to come forward with business plans, which would include a full purchase price of the value, for the Committee to appraise
 - (vii) **INSTRUCTED** the Head of Property that in the event of no acceptable offer to dispose of the Trimmingham campsite. 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 beneficial offer and report the fact at a subsequent Business and Property Committee meeting

15. Exclusion of the Public

- 15.1 The Committee agreed to exclude the public on the grounds that items 16, (County Farms Estate Management Update), 17, (Repton Property Developments Ltd; Update), 18, (Disposal of King Street Stores), 19, (Corporate Property Disposal Programme), and 20, (Exempt Minutes), involved the likely disclosure of exempt information as defined by Paragraphs 3 and 3.5 of Part 1 of Schedule 12A to the Act Local Government Act 1972, and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

16. County Farms Estate Management Update

- 16.1 The Committee considered the report by the Executive Director of Finance and Commercial Services.
- 16.2 The Committee **AGREED** the recommendations as set out in the report.

17. Repton Property Developments Limited; Update

- 17.1 The Committee considered the report by the Executive Director of Finance and Commercial Services.
- 17.2 The Committee **AGREED** the recommendations as set out in the report.

18. Disposal of king street stores

- 18.1 The Committee considered the report by the Executive Director of Finance and Commercial Services.

18.2 The Committee **AGREED** the recommendations as set out in the report.

19. Corporate property disposal programme

19.1 The Committee considered the report by the Executive Director of Finance and Commercial Services.

19.2 The Committee **AGREED** the recommendations as set out in the report.

20. Exempt minutes

20.1 The Committee **Agreed** the exempt minutes of the 4 September 2018

The Meeting ended at: 11.24

**Mr Barry Stone, Chairman,
Business and Property Committee**



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MEMBER/PUBLIC QUESTIONS TO BUSINESS AND PROPERTY COMMITTEE: TUESDAY 09 OCTOBER 2018

5. PUBLIC QUESTIONS

5.1 Question from Mr Kearns

The proposed disposal of land at Trimingham under agenda item 14 will potentially have a number of negative impacts on young people in Norfolk generally and on the Kearns Foundation charity in particular.

Whilst accepting the Council's need to maximise its assets, how will it measure, the initial and long term impact cost to young people from many Norfolk schools and Norfolk voluntary youth organisations through the potential loss of an exceptional outdoor natural environment space which, since 1939, has been regularly used for activities promoting personal development, education positive mental and physical health, and recreational facilities for around 400 young people a year.

Response by Chairman of B&P Committee

The property was declared surplus to service requirements by Children's Services in March 2016. If the loss of this site had the potentially to negatively impact on any areas or aims of Children's Services it would not have been declared surplus. NCC would also note that there are other similar facilities around the County, including Holt Hall which is approximately 15 miles away.

By disposing of this land there is no intended impact on young people currently receiving a service from this tenant as it does not impact on the terms of the current lease. Any freehold sale would be subject to the lease to the Kearns Foundation which has approx. 22 years to run, with tenant only breaks.

Selling the site at auction provides the fairest and most transparent disposal method, providing a clear indication of the site's best value, and providing all interested parties with the equal opportunity to acquire the site.

Potential Economic Development items for Business & Property Committee Forward Plan

Topic	Author	Possible date
Rural Issues Update <i>(already added to the next edition of the Forward Plan to be published)</i>	Vince Muspratt	6 Nov 18
Economic Development contribution to the Norfolk & Suffolk Economic Strategy, Local Industrial Strategy and update on our Norfolk Delivery Plan	Vince Muspratt	15 Jan 19
International Trade Inward Investment, including the Invest East project (EU funding secured by the County Council for Inward Investment in Norfolk)	David Dukes/Dept of International Trade Interim Lead	15 Jan 19
Skills Update: New Anglia Sector Skills Plans, Skills Deals (and CHANCES funding, if we are successful with our ESF bid)	Jan Feeney	15 Jan 19
France (Channel) England Programme – annual update	Carolyn Reid	5 Mar 19
Apprenticeships Training Agency pilot and next steps Development of Apprenticeships Norfolk Network	Jan Feeney/Children's Services	5 Mar 19