

ASSETS AND INVESTMENT COMMITTEE: MINUTES

Date: Friday 16th December 2016

Venue: Room 128, Shire Hall, Cambridge

Time: 10.00am – 11.55am

Present: Councillors Boden, Bullen (Vice-Chairman), Dent, Hickford (Chairman) and Jenkins

Apologies: Councillors Harford and Sales

57. DECLARATIONS OF INTEREST

There were no declarations of interest.

58. MINUTES AND ACTION LOG OF THE ASSETS AND INVESTMENT COMMITTEE HELD 11TH NOVEMBER 2016

The Committee resolved to approve the public and confidential minutes of the Committee meeting held on 11th November 2016, and note the Action Log.

59. HIGHWAYS DEPOTS – OCCUPATIONAL ARRANGEMENTS

A report was presented on the acquisition of a new office building as a Highways headquarters and leasehold disposal of part at less than best consideration.

In discussion, the Chairman expressed concern that there had been no specific report or consultation with the Highways & Community Infrastructure (H&CI) Committee on this matter. In response, officers advised that the Assets & Investment Committee was the correct place for this decision to be taken. H&CI Members were aware of the broader need to revisit the issue of Highways accommodation as the current Highways Contract came to an end, and had previously indicated a strong preference for operating out of County Council offices rather than contractor's offices, as this gave more control. Officers apologised for not specifically engaging with the H&CI Committee, Spokes or Chairman, and agreed to do so. **Action required.**

Other Members suggested that as this decision did not reflect a change in policy, but a change in how that policy was implemented, it was legitimate to

bring it to this Committee in the first instance. Another Member commented that as Assets & Investment Committee was relatively new, the processes and reporting routes were still not clear. Members agreed that the report should be progressed given timescales, and that the decision was within this Committee's remit. However, the Chairman commented that many reports were still only being presented when issues were time critical, and therefore not allowing Members sufficient time to ask for further information or consultation.

In response to a question from the Chairman as to whether the report should be confidential, given the information on the potential sites and likely rents, officers commented that the information on the market value of the sites was publically available. Other Members pointed out that the report was heavily slanted towards authorising the Chief Finance Officer be given freedom to negotiate the best deal for the Council, but not to make a firm decision. The Chairman proposed that the Committee go into closed session for the remainder of this item. On being put to the vote, the proposal was lost.

It was noted that the current support function for the Highways Contract was currently co-located at the Skanska offices in Girton. The rental for those offices was paid for as part of the Highways Contract price. Both bidders for the new Highways Contract had indicated that they would provide office accommodation, but it would be more cost effective for the Council to control the asset, so that there was no margin payable on the operational costs. It was confirmed that the current cost for the Girton accommodation was £240,000. It was also noted that the new contract was built around an integrated staff approach, which had only been developed as part of the existing contract over the last few years.

The Committee noted that the current Stanton House accommodation was owned on a freehold, and it was envisaged that the depot would move to Swavesey in 5+ years. A Member asked if alternative locations e.g. in the north of the county, where property prices were cheaper, had been considered. It was noted that Huntingdon had always been the preference given its accessibility (i.e. A1/A14) and also the links to Peterborough. Cambridge city had not been considered on cost grounds. Locations in the north of the county had been briefly considered but never fully assessed, as there was justification for an alternative location. The Transformation team had reviewed the suitability of sites in the Council's current portfolio, and those of MAC partners, but found nothing suitable. There may be additional costs involved to the contractors if the main office was located away from Huntingdon. It was noted that both proposed sites were accessible by public transport or bike, i.e. walking distance to Huntingdon town centre and the railway station.

The Chairman commented that most of the information being discussed had been omitted from the report. He also observed that whilst the Highways Contract was 10-15 years, it could be as short as 6 years if the performance by the contractor justified an earlier termination of the contract.

The comments of the Local Members were noted.

Officers advised that they were looking at a long term lease for the new office, but agreed to also explore the possibility of a freehold. It was also agreed that a further report would be presented to the February meeting of the Committee to update on the acquisition, which would include the results of a wider search beyond Huntingdon.

The following amendment was proposed by Councillor Hickford and seconded by Councillor Bullen (additional text in bold):

authorise the acquisition of a new office building in Huntingdon on terms and conditions to be agreed by the Chief Finance Officer, **in consultation with the Chairmen of the Assets & Investment Committee and Highways & Community Infrastructure Committee**, and to formalise the occupation of part of the building by the new Highways Contractor at less than best consideration.

On being to the vote, the amendment was carried unanimously.

It was unanimously resolved to:

authorise the acquisition of a new office building in Huntingdon on terms and conditions to be agreed by the Chief Finance Officer, in consultation with the Chairmen of the Assets & Investment Committee and Highways & Community Infrastructure Committee, and to formalise the occupation of part of the building by the new Highways Contractor at less than best consideration.

60. ST IVES BRIDGE CHAPEL

The Committee considered a report proposing a formal agreement with the Norris Museum to manage the Chapel of St Ledger on the St Ives river bridge, on behalf of Cambridgeshire County Council.

Members were reminded that the bridge chapel was a Scheduled Ancient Monument which formed part of the highway asset, and was therefore maintained as such. Use of the chapel was extremely limited because of

accessibility issues, and the small size of the chapel, but there was a strong feeling in the community that more use could be made of the chapel.

Officers and Local Members had been working with the Norris Museum to draw together an agreement for the management and future use of the chapel. It was confirmed that no income was generated from the chapel, and that day to day maintenance of the structure came out of highways bridge maintenance budget.

The Chairman expressed concern about unsupervised access to the chapel, and the potential for damage or vandalism. As one of the Local Members, the Vice-Chairman Councillor Bullen explained that currently, anyone can ask for the keys to the chapel from St Ives Town Council. Under the proposed arrangement, the Norris Museum would become completely responsible, and in terms of security/liability, the arrangements were much better than the current set up. The Museum was part of the Town Council, and therefore the Chapel would be covered by the Town Council's Public Liability Insurance.

As a Local Member, Councillor Bullen thanked the Committee for their support and interest in this matter. The Chairman thanked officers for their work on this issue to reach a satisfactory conclusion.

It was resolved unanimously to:

Agree the proposed draft agreement set out by the Norris Museum for management of the asset.

61. BUSINESS PLANNING

The Committee received a report providing an overview of the draft Business Plan Revenue proposals for the areas relevant to the Assets & Investment Committee. It was noted that there had been no changes to the Revenue tables since they had been considered by Members at their Committee meeting in October. There had been two significant changes to the Capital programme, specifically:

- Equality Act works in Corporate Offices had been removed from the Capital programme (Scheme F/C.2.113)
- Housing schemes previously included in the tables at net cost were now shown at gross cost (Scheme F/C.2.240)

In terms of government funding, it was noted that the Revenue Support Grant was in line with expectations, and the Chief Finance Officer would be sending out a briefing note to all Members to update them.

A Member commented that it was very easy just to look for savings, particularly for this Committee's area of work, but taking the cheaper option was not always the viable or prudent thing to do.

It was resolved unanimously to:

- a) note the overview and context provided for the 2017/18 to 2021/22 Business Plan revenue proposals for the Service, updated since the last report to the Committee in October;
- b) comment on the draft revenue savings proposals that are within the remit of the Assets and Investment Committee for 2017/18 to 2021/22, and endorse them to the General Purposes Committee as part of consideration for the Council's overall Business Plan;
- c) comment on the changes to the capital programme that are within the remit of the Assets and Investment and endorse them.

62. FINANCE AND PERFORMANCE REPORT – SEPTEMBER 2016

Members received an oral report on the financial and performance information relating to the areas within the Assets & Investment Committee's remit as at the end of September 2016. It was noted that the wrong appendix had been issued with the covering report, and the correct appendix was tabled. The key issues were the pressures on the revenue budget, specifically from the decoupling of property and estates function from LGSS back to the County Council, as previously reported.

In response to a question on the variations in the capital programme, the Chief Finance Officer outlined the approach being taken, which took into account the historic trend of significant slippage year on year, and how each service area's capital budget was being considered en bloc, as the best mechanism to reflect actual spend and deliver a balanced budget.

It was confirmed that total overspend at the end of October was £256K i.e. the £56K revenue budget overspend, plus the building maintenance £200K overspend.

It was unanimously resolved to:

- a) review, note and comment upon the report.

63. COMMITTEE AGENDA PLAN

The Committee noted the agenda plan, with the following updates:

- Green Spaces (January Committee): to be deferred to a later date;
- Keyworker housing policy (January Committee): to be submitted to the February Committee.

64. EXCLUSION OF PRESS AND PUBLIC

It was resolved unanimously that the press and public be excluded from the meeting during the consideration of the following reports on the grounds that it is likely to involve the disclosure of exempt information under paragraph 3 of Schedule 12A of the Local Government Act 1972 as it refers to information relating to the financial or business affairs of any particular person (including the authority holding that information) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

65. PROGRAMME HIGHLIGHT REPORT

Members considered a number of information/update papers.

It was resolved to note the report.

Chairman