

COMMERCIAL AND INVESTMENT COMMITTEE: MINUTES

Date: 24 April 2020

Time: 10:00am – 12.45pm

Venue: *Meeting held remotely in accordance with The Local Authorities (Coronavirus) (Flexibility of Local Authority Meetings) (England) Regulations 2020*

Present: Councillors J Schumann (Chairman), I Bates, L Dupré, A Hay (Vice Chairwoman), D Jenkins, J Gowing, L Jones, T Rogers, M Shellens and T Wotherspoon

In attendance: Councillor M Goldsack

Apologies: None

330. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

There were no apologies or declarations of interest.

331. MINUTES OF THE MEETING HELD ON 21 FEBRUARY 2020 AND ACTION LOG

The minutes of the meeting held on 21 February 2020 were agreed as a correct record.

The Action Log was noted and the following items were discussed:

Item 183/St Ives Football Club – a Member queried the likely timescales for the St Ives Football Club move. Officers confirmed that the original site the Football Club had planned to move to had fallen through, and agreed to circulate an update to the Committee by email. **Action required.**

Item 274(2) Legal advice (This Land Board) – The Chairman confirmed that this was not yet available but gave assurances that he would actively chase this up with the Legal team.

Item 323(2) MLEI Quarterly Update report – it was confirmed that data on Asbestos Removal would be included in future Quarterly Monitoring Reports.

Item 323(1) MLEI Quarterly Update report – an update on the action relating to Maintained Schools would be circulated. **Action required.**

Item 324 Cambridgeshire Outdoors Property Capital Investment – it was confirmed that the new reporting structure was agreed by the Constitution & Ethics Committee on 22nd April, so there was now clarity on which Committee the various traded services were reporting to.

The Action Log was noted.

332. PETITIONS AND PUBLIC QUESTIONS

There were no petitions or public questions.

333. DISPOSAL OF LAND AT LODE AND DULLINGHAM DEPOT SITE

The Committee considered a report on the proposed disposal of two County Council owned sites, one located in the village of Lode, and the former Dullingham Depot Site.

The County Council had obtained two outline planning permissions for residential development at these two freehold sites in January 2020 and October 2019 respectively. This followed a housing shortfall opportunity in East Cambridgeshire, following the withdrawal of the ECDC Local Plan in 2018. Both sites were offered to This Land, the respective Parish Councils, the District Council and members of the One Public Estate Group, but there had been no interest. It was therefore proposed to market the sites. Originally, both sites were expected to realise more than £550,000, but the current uncertainties regarding Covid-19 may reduce actual sale values. The Outline Planning Permissions were limited to two years, so delaying sale significantly was not a viable option. The report recommendations proposed that if the amounts realised were significantly less, the decision would be delegated to the Deputy Chief Executive in consultation with the Committee Chairman.

Whilst supporting the report recommendations in principle, some Members commented that there was a lack of clarity as the recommendations stood if the agreed sale price was between £450,000 and £500,000. The Deputy Chief Executive suggested a change to the report recommendations which would result in the Committee would be consulted if the sale price was less than £500,000. Whilst sales of less than £500,000 were within the Deputy Chief Executive's delegation limits, it was agreed that the Committee would be consulted electronically prior to any sale at that value proceeding. Members also noted the issues around delaying marketing and sale of the sites, given that this would eat in to the two year Outline Planning Permission window.

The Chairman advised that Councillor Shuter, the Local Member for both sites, had no issues with the report.

It was resolved unanimously to:

- a) To approve the disposal of Land at Lode and Former Dullingham Depot Site by way of a decision delegated to the Deputy Chief Executive in consultation with the Commercial & Investment Committee Chairman;
- b) should the value of either site fall below £500,000, the Committee will be consulted before sale is progressed.

334. WATER PROCUREMENT UPDATE

The Committee considered an update on progress towards procurement of a water supplier, which included a request to proceed with procurement. It was highlighted that changes to the retail supplier did not impact on the physical supply of water and sewerage services to sites.

Members were reminded that following the original procurement exercise, no bids had been received. Feedback had been sought from those companies that had originally expressed an interest, and the reasons for them not progressing to tender stage were set out in the report. A new opportunity had now arisen for an aggregated competition exercise with other public sector bodies, which Crown Commercial Services (CCS) were running. The report set out an options analysis.

Arising from the report:

- A Member commented that whilst she broadly supported the report recommendations, she had some concerns that the options analysis was not as objective as it should be. The officer and Member agreed to progress this issue offline;
- A Member asked if Anglian Water had been approached about providing this type of information directly. In discussion, it was confirmed that since the Water market had opened up to competition in 2017, non household sites were obliged to go through one of the retail companies to procure their water and sewerage services. In order to not award contracts directly, it was prudent to go through a proper procurement process;
- Another Member supported the recommendation, especially the notion of aggregated competition, but was less sure about the ancillary services issue, as there were numerous implications, especially around the climate change strategy. She asked what progress was being made on that part of the proposed contract. Officers explained that the original plan was to include both core and ancillary services, but there had been no interest with the combined approach. Whilst ancillary services were less urgent, some of these would be beneficial to the County Council. There were also more companies in the market who were able to provide just ancillary services, compared to the number of companies that could provide both types of services.

It was confirmed that there would be an update to the Committee at some point, which need not take the form of a formal report. **Action required.**

It was resolved unanimously to:

- a) To proceed with procurement of a water supplier through the Crown Commercial Services (CCS) aggregated Lot 1 competition in April-May 2020 (option 2 in Table 1, paragraph 2.10 in the report).

335. COVID 19

The Chairman reported that officers had been asked to bring a report on the Covid-19 response to date for those services for which each Policy and Service Committee was responsible. A similar report would be brought to each future meeting until further notice.

Given the rapidly changing situation and the need to provide the committee and the public with the most up to date information possible, the Chairman reported that he had accepted this as a late report on the following grounds:

1. Reason for lateness: To allow the report to contain the most up to date information possible.
2. Reason for urgency: To enable the committee to be briefed on the current situation in relation to the Council's response to Covid-19 for those services for which it was responsible.

The Director of Business Improvement & Development introduced the report on the Council's immediate response to the current Coronavirus pandemic, the progress made on assessing financial, service and community impact, and the Council's initial approach to recovery. The report set out the context to the UK response to the emergency, the response of the Cambridgeshire and Peterborough Local Resilience Forum, and the immediate response of the County Council, including governance arrangements. Section 5 set out the response of the Services within the Committee's remit, including Investment, Property and Energy, whilst the final sections of the report explored Risk Management aspects and the likely changing role of the Council in the recovery phase.

The Deputy Chief Executive and Chief Financial Officer set out the financial impact for the Services within the Committee's remit, and the projected impact against additional fund of just under £10M. It was noted that the Secretary of State had recently announced additional funding for local authorities, but it was not known how much of that additional grant would be received by the County Council. The report also contained a whole range of projections and assumptions, many of which would be understated or overstated. Making projections for Commercial & Investment Committee was particularly challenging, and more detail would emerge in the next month or two. No abatements or deferral of rents had been agreed yet, except for Brunswick House, but such requests would be considered by Committee next month. A decision had been taken on Brunswick House, as it was important not to exacerbate the current situation by students returning after the Easter break. However, there were still over 90 students resident, who could not physically get home, who continue to pay their rents.

A lot of work had been done around the commercial area was actually supporting other services and their supply chains, so that once restrictions were lifted, they could maintain operational delivery.

The Chairman highlighted that members of the Investment Working Group had received additional information about commercial partners, but that information was strictly confidential, and it was not possible to go in to the detail of that without going in to confidential session.

Arising from the report, there was a query about investment at risk totalling £1.1M, but it was unclear how this was divided up between investments. The Deputy Chief Executive confirmed that the £1.1M was based on the investment portfolio, and agreed to circulate the breakdown to the Committee. **Action required.**

There was also a query about South Cambridgeshire and the Business Angels network. The Member suggested that 'Business Angels' brought to mind fairly wealthy individuals in the business community, and whilst there was a role for that, there were also opportunities for more local peer to peer lending, on a collective/cooperative type arrangement. The Director of Business Improvement & Development advised that the Business Angels approach had come via South Cambridgeshire District Council, and consideration was being given as to whether this could be expanded county wide. The suggestion of a more localised support network was a good one, and she was happy to explore this.

The Chairman thanked the Deputy Chief Executive, the Director of Business Improvement & Development and the Commercial team for providing such a positive response and a detailed report.

It was resolved unanimously to note the report.

336. COMMITTEE AGENDA PLAN, TRAINING PLAN AND APPOINTMENTS TO OUTSIDE BODIES

The Committee considered the Agenda Plan and the Training Plan.

A number of changes were noted to the Agenda Plan. It was confirmed that the Committee training session on Investment originally scheduled following the April meeting would be rescheduled, and would also include Multi Class Credit.

It was resolved to note the Agenda Plan and Training Plan.

337. EXCLUSION OF PRESS AND PUBLIC

It was resolved, by a majority:

That the press and public be excluded from the meeting on the grounds that the agenda contains exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed – information relating to the financial or business affairs of any particular person (including the authority holding that information)

The meeting adjourned briefly to move in to private session.

338. THIS LAND: MULTI-YEAR BUSINESS PLAN, FINANCING & OTHER UPDATES

Members considered a report on revisions and updates to the This Land Business Plan, and related issues. All Committee Members had attended a virtual This Land shareholder meeting prior to the Committee meeting.

There was a proposal from Councillor Dupré to defer consideration of the report, and this proposal was seconded by Councillor Jenkins. Following a vote, the proposal failed. (*Voting pattern: all Liberal Democrat Members plus Labour Member in favour; all Conservative Members against*)

It was resolved, by a majority*, to receive the updated This Land Business Plan 2020 as well as to agree the other related recommendations as set out in the report.

** Voting pattern: all Conservative Members in favour, all Liberal Democrat Members and Labour Member against.*

Chairman