

COMMERCIAL AND INVESTMENT COMMITTEE: MINUTES

Date: 19 June 2020 (*reconvened 23 June 2020, 10:00am -11.05am*)

Time: 10:00am – 12.20pm

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

Present: Councillors M Goldsack (Chairman), C Boden (Vice-Chairman), J Gowing, D Jenkins, L Jones, P McDonald, L Nieto (substituting for Cllr Bates), T Rogers, M Shellens and T Wotherspoon

In attendance: Councillor J Scutt

Apologies: Councillor I Bates (Cllr Nieto substituting)

349. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies were presented on behalf of Councillor Bates (Councillor Nieto substituting).

There were no declarations of interest.

350. MINUTES OF THE MEETING HELD ON 22 MAY 2020 AND ACTION LOG

The minutes of the meeting held on 22 May 2020 were agreed as a correct record.

The Action Log was noted.

352. PETITIONS AND PUBLIC QUESTIONS

A Question had been received from Ms Helena Windsor. As Ms Windsor had not joined the meeting, the question was read out by an officer:

“Concerned library user: It is disappointing to see all information on the acquisition of a property for the library service is restricted. Beyond the purchase what does this mean for the service? Is it yet another part of the Council abandoning the majority of rate payers in Cambridge alongside Shire Hall? What is the impact going to be on residents? Will services be worse, who and what is moving? Has impact of the move been assessed? These things are not commercially sensitive and should be shared with the public, it feels like hiding a cut to services behind this excuse of commercial sensitivity.”

Responding, officers advised the Library Service that was to be relocated to the new building was not any of the front facing Libraries and these were not changing. The main use of the new building would be the relocation of the distribution centre for

libraries, which currently resides in Central Cambridge, in a building that needs to be reused by the County Council for a front facing Cambridge Service. The location of this new site for the Library distribution centre in St Ives makes it much better placed for the whole county and was aligned to the major routes without it being in an area of significant congestion. Therefore, the acquisition of this property would not decrease the library service offer to the local residents of Cambridgeshire. The item was being treated as confidential as it related to a proposed purchase price for the property which was commercially sensitive.

A Member had broader concerns about this issue, and whether appropriate sign offs had been received from the appropriate Committees, and advised that he would be proposing that the item would be postponed until a later date.

A Member outlined her concern about the Community Health Information Service (CHIS), based at the Roger Ascham site, as that service did not appear to have been consulted on the proposed move or new location. Until December 2018 the whole of the oversight for Cambs 2020 had been with the Commercial & Investment (C&I) Committee, at which point the responsibility had moved to the Communities & Partnerships (C&P) Committee. Reviewing C&P minutes and reports, it was unclear whether this issue had been discussed by C&P Committee. She added that the report did not appear to have been cleared by Public Health officers in terms of the Significant Implications paragraphs of the report. For those reasons, she supported postponing this item to secure the appropriate sign off and procedure. The Chairman had acknowledged these points and advised that there would be a robust discussion about this commercial acquisition in the confidential part of the meeting.

A Member highlighted that C&P Committee was responsible for both Spokes activity and also Libraries, and there was no evidence that they are comfortable with the proposed move. He suggested that there was nothing in the report to indicate that the proposal had been endorsed by the C&P Committee.

Some Members expressed concerns regarding the timetable and dovetailing of the move, specifically the difficulties that could be encountered if the acquisition was delayed. One Member suggested that the Committee should agree to the officer recommendations which related to the commercial aspects of the move, conditional on sign off from the C&P Committee on the Cambs 2020 and Service considerations. He added that there were fundamental issues with regard to public transport and access to the site which needed to be aired in public. Another Member commented that she remained concerned that Public Health colleagues had not been fully consulted, and it appeared that staff were unhappy about the proposed move.

Responding, officers commented that throughout the Cambs 2020 programme, it had been agreed that the Library Service based at the Roger Ascham site in Cambridge would be relocated. The report focused on the location of the premises, the acquisition of which was still subject to contract.

The Chairman concluded that there were two separate issues: C&P Committee could review the non commercial aspects of the proposed move, but the Commercial & Investment Committee could consider the commercial aspects of this proposal. A majority of Members agreed with this approach.

The Chairman advised that Ms Windsor would receive a written response within ten working days.

353. CAMBRIDGESHIRE COUNTY COUNCIL'S RESPONSE TO COVID 19

A report was presented on the Covid-19 response to date for those services within the remit of the Commercial & Investment Committee.

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 which provided an overview of the Council's activity in response to the evolving emergency situation, and in line with emerging government guidance. Globally, nationally and locally there was a lot of uncertainty and speculation about how the economy would respond following the Lockdown period, and this needed to be monitored closely. It was clear that some tenants in commercially income generating properties were affected adversely, which could impact on rental income. However, the impact on the Council's commercial property portfolio was less than in other areas of the country due to careful development of a diverse portfolio and good management of risk.

The Council's supply chains were being closely monitored, with Care providers in particular having become a high risk area in supply chain: People & Communities colleagues were working closely with Commercial and Finance colleagues on these issues. The Multi Class Credit proposals had also been revisited, given the changes in the market, and these proposals had been paused, but officers were now ready to make a recommendation to the Committee's Investment Sub Group. The Council was making the most of opportunities that were emerging as a result of the current situation, particularly in terms of supporting and capitalising on the push to sustainable energy sources.

A Member asked if it would be possible to include in these reports the HMRC data on furloughing which was being made regularly available through the Economic Recovery Sub-Group, which he felt was the best single indicator on the rate of recovery. Officers

agreed this would be helpful, and agreed to attach that data as an appendix to future reports. **Action required.**

Acknowledging that it was a fast moving situation, a Member queried in there was any significant change in the June MHCLG submission. The Deputy Chief Executive confirmed that the submission was being finalised, but that the impact figure of £2.203M for this Committee was unchanged.

It was resolved unanimously to note the report.

354. THIS LAND BOARD REPRESENTATION

Members were reminded that at the May 2020 Commercial & Investment Committee meeting, there had been a discussion around the Shareholder's representative on the Board of This Land, and the ability for Committee Members to attend Board meeting as an 'observer'. A briefing note was circulated after the meeting with the legal advice received on the issue, along with the dates of the 2020 Board meetings.

A number of Members had expressed an interest in attending Board meetings following the May meeting. It had previously been noted by the Committee that This Land's Articles of Association permit the Shareholder to appoint an official observer to attend Board meetings and report back to the Committee either monthly or quarterly. However, only one such observer was permitted at each meeting, in addition to the Board appointees to This Land. The report proposed a structured approach to attendance by interested Members, in rotation.

The report also set out proposals regarding formal Board Member representation. It was proposed to change the Committee's Member appointee to Councillor Schumann, in line with the requirement that the representative should not be a Member of the shareholder (Commercial and Investment) Committee. It was also proposed that Chris Malyon stepped down as an officer representative of the This Land Board, due to potential conflicts of interest in his role as the Council's Section 151 Officer.

One Member welcomed the appointment of Councillor Schumann to the This Land Board. She asked what the monthly/quarterly "report back" process would entail, referred to in the original June 2018 report. It was clarified that the Council's Non Executive Director roles were separate to the 'observer' role. In terms of reporting back, it was suggested that the most appropriate means of achieving this would be through the quarterly monitoring meetings held between This Land and the shareholder.

A Member commented that the dissatisfaction with the membership and observer arrangements had arisen as the previous appointee, Councillor Hickford, had not attended meetings. Whilst it was not normal for shareholders to attend Board meetings, it was not illegal. It was further suggested that part of the reasoning

behind limiting the number of observers related to the physical capacity of the meeting facilities, but this was no longer relevant. Given the political balance on the County Council, he suggested it would be appropriate to propose a change to the Articles of Association to increase the number of observers permitted.

A Member queried the remuneration aspects of Member representatives on the This Land Board, observing that officer representatives did not receive their allowances personally. It was clarified that Members were not allowed to receive remuneration.

Another Member commented that the observer role should be representing the Committee, and should be apolitical, and the observer should be required to report back to Committee. It was agreed that the observer attendance at This Land Board meeting would be on the basis of interest rather than political party. This Land had also been asked to avoid clashes in terms of scheduling of This Land Board meetings e.g. against key Council meeting dates.

One Member advised that he would not be supporting recommendation (a), as he would prefer to have two representative observing the Board meetings. The Chairman pointed out that Councillor Schumann would also be attending Board meetings.

It was resolved by a majority to:

- a) Agree to the process whereby a rotational Member of the Committee attends This Land Board meetings as an Observer as set out in this report;

It was resolved unanimously to:

- b) Approve the appointment of Councillor Schumann as a shareholder representative on the Board of the Company.

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

The Committee considered the Agenda Plan, Training Plan and appointments to outside bodies, including changes made since publication.

There was a discussion around the appointments to Outside Bodies and whether any mechanism existed for Members to feed back information to the Committee, especially where the appointee was not a Committee Member. One Member observed that the feedback may not necessarily be relevant to the Committee. A number of alternatives were suggested, including reporting back to Local Members (where appropriate) or via seminars. The Chairman agreed to liaise with appointees and also to work with Democratic Services on an appropriate report back process.

It was resolved to:

- i. review its agenda plan attached at Appendix 1 to the report;
- ii. review its training plan attached at Appendix 2 to the report;
- iii. agree the appointments to outside bodies as detailed in Appendix 3 to the report;
- iv. agree the appointments to Internal Advisory Groups and Panels as detailed in Appendix 4 to the report.

356. 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 relation relating to the financial or business affairs of any particular person (including the authority holding that information)

Councillor Jenkins advised that he was supportive of the resolution on the understanding that the discussion on the Library Service would relate only to the commercial decision, not on the suitability of the site for the Service.

357. ACQUISITION - ST IVES INDUSTRIAL UNIT - RELOCATION OF THE LIBRARY SERVICE

Members considered a report on the proposed acquisition of a new freehold unit in St Ives, for use by the Library Service.

Due to severe technical difficulties It was agreed to adjourn the meeting.

The meeting reconvened on Tuesday 23rd June at 10am. Councillors Jenkins and Shellens had sent apologies for the reconvened meeting, and had indicated that they were happy for the meeting to go ahead without them present.

It was resolved, by a majority, to:

1. delegate the approval of the purchase of a new freehold industrial unit in St Ives to the Deputy Chief Executive in consultation with the Chair of C&I Committee to a maximum capital value (*agreed at the meeting*) (inclusive of stamp duty and fees but exclusive of VAT), subject to assurances from the Communities and Partnerships Committee Chairman regarding efficient governance, including Public Health;

2. recommend to General Purposes Committee a £330k increase in the Spokes capital programme budget to cover the acquisition costs as set out in this report, funded by prudential borrowing.

358. SHIRE HALL DISPOSAL UPDATE

The Committee considered an update on the disposal of Shire Hall.

It was resolved, by a majority, to:

1. Note the content of the report;
2. Approving funding option D, as set out in paragraph 3.3 of the report;
3. Subject to the decision of recommendation (2). agree to the proposed set of Heads of Terms as set out in the Appendix to the report.