

AGENDA ITEM NO. 4

Minutes of a meeting of the Asset Development (Shareholder) Committee
held in the Council Chamber, The Grange, Nutholt Lane, Ely
on 12th December 2016 at 4:00pm

P R E S E N T

Councillor Bill Hunt (Chairman)
Councillor David Chaplin
Councillor Steve Cheetham
Councillor Lorna Dupré
Councillor Coralie Green
Councillor Mathew Shuter
Councillor Lisa Stubbs

OTHERS

Jo Brooks – Director, Operations
Tracy Couper – Democratic Services Manager
Adrian Scaites-Stokes – Democratic Services Officer
Emma Grima – Director, East Cambs. Trading Company
John Hill – Managing Director, East Cambs. Trading Company
Andy Radford – Company Secretary, East Cambs. Trading Company
Paul Remington – Chairman, East Cambs. Trading Company
Phil Rose – Director, Property Services, East Cambs. Trading Company

12. PUBLIC QUESTION TIME

There were no public questions.

13. APOLOGIES AND SUBSTITUTIONS

No apologies were received or substitutions made.

14. DECLARATIONS OF INTEREST

There were no declarations of interest.

15. MINUTES

Councillor Lorna Dupré noted that no answer had been given to the question over the high salaries for the Palace Green staff.

Councillor David Chaplin joined the meeting at this point, 4:04pm.

The Company Secretary replied stating that there had been an error in the report presented to the last committee meeting, which had recorded an overspend where it would actually be an underspend.

It was resolved:

That the minutes of the meeting held on 10th October 2016 be agreed as a correct record and be signed by the Chairman.

16. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman made no announcements.

Councillor Mathew Shuter queried the dates of the Committee future meetings and wondered whether, due to the short Shareholder Committee meetings, separate meetings of this Committee could be held on the same dates as the Asset Development Committee, at a different time. This would make it easier for Members, as they would not have to make two journeys.

The Democratic Services Manager reminded the Committee that the two Committees had to be treated as separate Committees. The next meeting of this Committee was due to consider the Trading Company's Business Plan, although the Managing Director suggested this would be dealt with at the meeting after that. Therefore that meeting should stand alone.

Councillor Lorna Dupré understood why the two committees were separate but questioned why, if the Shareholder Committee had nothing to talk about, there were separate dates for both. There was a chance that this Shareholder Committee would only be in its present form until May, as there were plans to revise the committee structure.

The Chairman pointed out that both those Committee consisted of the same membership and thought this was something the Democratic Services Manager could consider. It was therefore proposed that the Committee give authority to the Chairman and the Democratic Services Manager to decide the programme of the Committee's meetings for the remainder of the civic year, as this would only be until May next year. This was duly agreed.

It was resolved:

That the Chairman and the Democratic Services Manager be authorised to decide the programme of the Committee's meetings for the remainder of the civic year.

17. **BOARD OF DIRECTORS REPORT (EAST CAMBRIDGESHIRE TRADING COMPANY)**

The Committee received a copy of the East Cambs Trading Company Board of Directors Report December 2016 (previously circulated) which updated the Committee on the key themes set out in the Half Yearly Report (September 2016).

The Director advised the Committee that there had been no changes in governance and no new risks identified since September. The Trading

Company remained teckal compliant but if it won further contracts in the future that might not be the case. Consequently the Company was seeking advice to consider a new structure of the Company to ensure teckal compliancy. One meeting to discuss this had already taken place, with a further due following the New Year. The Board would bring back its recommendations to this Committee.

Commercial Services

The Markets team had recently held a Vegan Fair, which had been successful and had received positive feedback. A number of late evening markets had also been held, which had been very good and had worked quite well. A feasibility study had been commissioned on the potential provision of wi-fi for the markets. A report was expected soon, so the options could be considered with a view to making a recommendation to the Board in January.

Grounds Maintenance

Consent had been obtained from Sanctuary Housing for the opportunity to commence working on their grounds from 1st April 2017. Two tenders had been successful out of three for the maintenance of three school grounds. This should provide income of £60K per year. There was a gap in the market for the maintenance of sustainable drainage systems and this was being looked at. The County Council were liaising with developers and a business plan was being developed.

Councillor Mathew Shuter was pleased with the success of securing the two school contracts but questioned why the other had not been won. The Director explained that all three schools had previously had bad experiences with their contractors, so had only wanted a one year contract initially. The contracts would come up for tender again in twelve months so, it was thought, the schools could keep their options open and get feedback on performance.

Councillor Lorna Dupré asked whether the question over teckal compliance in the future would go straight to full Council. With reference to the Grounds Maintenance programme, was the team working with private individuals?

The Director confirmed that the issue with teckal compliance would be brought to this Committee first. In terms of private individuals the Director did not have this information to hand but would provide it if requested. She confirmed that any individual could ask for grounds maintenance and the Trading Company would provide a quote for the work.

Councillor David Chaplin thought the schools' contracts were a big plus and congratulations were offered for securing that work. Bottisham Parish Council was constantly debating how to deal with their verges and, as the Trading Company would be working in the village, could there be an opportunity for further working? It was revealed that the Parish Council had been contacted and was expected to make a decision on that issue in January.

Councillor Bill Hunt wondered whether it was possible to state the amount of profit made from the Vegan Market, along with information on the numbers of people attending and the number of stalls involved. He said that the initiative to provide wi-fi for the markets was exciting and must not be allowed to slip.

He also suggested the Council consider selling off its play areas in the villages to the parish councils, allowing them to access additional grants. The Council could charge a nominal £5 charge with a right to buy back at the same rate. This would also provide other potential customers for the Grounds Maintenance team.

Property Development

The Director, Property Services advised the Committee on progress on a number of projects since September.

Barton Road, Ely

Following the archaeological survey, work on the site was expected to commence in January. The building contract was out to tender and the intention was to transfer the land from Council ownership to the Trading Company during the latter part of January. As part of the project, a coach drop-off point was being considered for bringing forward, to reduce the time when one would not be available. Some of the work was being re-phased with the hope that it would be available early January, so it could be used when the car park was closed. The process would be to get the car park sorted out, take ownership of the site and then complete building the houses. The communications strategy, to keep residents and businesses informed, would continue.

The Shade, Soham

The planning application was expected to be presented to Planning Committee for approval in January. Hopefully this would be a positive result and would be slightly earlier than had been anticipated. The aim was to start construction of the houses during next summer.

Asset Development

The Trading Company was acting as a consultant to the Council on extensions to car parks in Ely and Littleport. The planning application for the car park at The Dock, Ely was expected to go before the Planning Committee in January. The architects were currently working on the tender. A planning application had been submitted for the car park at Littleport station.

Kennett

A legal agreement to secure the site had been finalised. A community engage exercise had taken place and the response had been pleasing. The feedback from this event would influence the Masterplan for the site. The development would account for around 500 dwellings and would include new school buildings, with work ongoing with the County Council. The intention was to return to the community around January or February, showing the responses and revisions to the masterplan.

Costs

The £77K previously noted for the costs for the Kennett site had essentially related to working on due diligence. The whole process was still ongoing, so the bigger figure of £120K shown in the report included that £77K.

Other Land

Some land had been secured in Haddenham for the Community Land Trust. A community engagement evening had successfully taken place and the general response had been positive, though the feedback was still being analysed. A further update would be taken back around February with the aim to submit a planning application around March or April next year.

Business Plan

The Business Plan would show where the business was going, with the objective to develop housing and secure land. There would be greater opportunities for expansion via community land trusts (CLTs). Consultancy work would continue, including explaining to other local authorities about CLTs. The Devolution project could create opportunities for the Company to exploit, again in relation CLTs across Cambridgeshire and beyond.

Councillor Steve Cheetham acknowledged that the meeting in Haddenham had been very good but queried whether a risk analysis had been conducted in case the village did not want the proposed scheme or if it did not come to fruition.

The Director, Property Services explained that the scheme for the houses would depend on obtaining planning permission. The scheme was at risk until this was achieved, and this was recognised by the Board. The CLT had looked at sites around the village and, consequently, the site had been identified as a strong candidate for development. Some technical work had already been done but the right scheme had to be produced to garner local support. Work related to this site would continue but the Company would not commit to any significant expenditure unless there was a good chance of commercial benefits.

Councillor David Chaplin asked what proportion of the 210 houses in total, 54 of which would be in Haddenham, would be social housing. The Director, Property Services stated it would be 32%.

Councillor Bill Hunt thought there was some public misunderstanding about Barton Road car parking spaces, and that the real facts needed to come out. Although 42 would be lost initially, 38 would be found. This was 4 less than present but another 5 had been found in Broad Street car park, making a net gain of 1 space. The Council should also be able to keep a coach drop-off point during the work. People needed to be informed of these issues.

Finance

Councillor Lorna Dupré again questioned why there appeared to be big variances in the figures relating to the salaries for the staff of Palace Green Homes. Councillor Chaplin asked, with reference to Barton Road, how could the Committee understand the actual financial outcome?

The Company Secretary advised the Committee that the projected figures had been included, up to the end of September. The figures showed the corporate cost and the salaries for the seconded market staff. There had been a delay in recruiting staff for Palace Green Homes and the figure for Kennett, along with those for Soham and Barton Road, showed the budget for this year. The Barton Road budget anticipated capital expenditure but this was not the actual spend that had come forward and showed an over spend. The total budget for that site was £2.2 million, but that would not all be used this year. The Board had asked for a more complex and detailed analysis but this report was only a snap-shot.

Councillor Steve Cheetham thought that the report would have been better if there was additional information should there be any large variances. The public did not understand the CLT work and any negativity about the Company should be addressed.

Councillor Bill Hunt considered the report very encouraging, as there was a lot of activity taking place and the Company was looking to the future. The public consultation over the Haddenham site was good, so credit should be given for that. More public engagement should be arranged to give the public the facts and underline the benefits of the work being done.

The Chairman of East Cambs. Trading Company stated this was at the core of the Company's work. The communities needed to understand the work done and be invited to see what went on. It was a matter of allowing the community to see what the Company was up to and to be transparent.

The meeting concluded at 4:55pm.