

**BRECKLAND COUNCIL**

**At a Meeting of the**

**COUNCIL**

**Held on Tuesday, 9 December 2014 at 10.00 am in the  
Anglia Room, The Conference Suite, Elizabeth House, Dereham**

**PRESENT**

Mrs S Armes	Mr K. Martin
Mr S. Askew	Mrs S.M. Matthews
Mr S.G. Bambridge	Mrs L.H. Monument
Mr W.P. Borrett	Mr T F C Monument
Mr C G Carter	Mr M J Nairn
Mr T R Carter	Mrs J A North
Mr R.P. Childerhouse	Mrs K. Pettitt
Mr P.D. Claussen	Mr R. R. Richmond
Mr J.P. Cowen	Mr W. R. J. Richmond
Mr P R W Darby	Mr M. S. Robinson
Mr R.W. Duffield	Mr J.D. Rogers
Mr P.J. Duigan	Mr B. Rose
Mr K.S. Gilbert	Mr F.J. Sharpe
Councillor E. Gould	Mr B J Skull
Mr S R Green	Mr W.H.C. Smith
Mr T. J. Jermy	Mrs P.A. Spencer
Mr A.P. Joel	Mr A.C. Stasiak
Mrs E. M. Jolly	Mrs A.L. Steward (Vice-Chairman)
Mr C.R. Jordan	Mrs L.S. Turner
Mr M.A. Kiddle-Morris	Mr M. A. Wassell
Mr R.G. Kybird (Chairman)	Mr N.C. Wilkin
Mr T.J. Lamb	Mr D.R. Williams JP

**In Attendance**

Margaret Bailey	- Senior Accountant Capital and Treasury
Julie Britton	- Senior Democratic Services Officer
Ralph Burton	- Strategic Property Manager
Helen McAleer	- Senior Democratic Services Officer
Maxine O'Mahony	- Executive Director of Commissioning & Governance
Vicky Thomson	- Democratic Services & Legal Manager
Mark Stinson	- Legal Services Coordinator

**84/14 MINUTES (AGENDA ITEM 1)**

The Chairman noted that the date in the final sentence of Minute Number 81/14 (Contract Procedure Rules) should be amended to 9 December 2014.

Subject to that amendment the Minutes of the meeting held on 6 November 2014 were confirmed as a correct record and signed by the Chairman.

**85/14 APOLOGIES (AGENDA ITEM 2)**

Apologies for absence were received from Councillors Bowes, Byrne, Canham, Chapman-Allen, Clarke, Goreham, Irving, Millbank, Nunn and Sherwood.

**Action By**

**86/14CHAIRMAN'S ANNOUNCEMENTS (AGENDA ITEM 3)**

The Chairman noted that he had had a busy six weeks. The swimming gala for young adults with disabilities had shown that being disabled didn't stop you enjoying yourself and working well with others.

He invited all Members to join him for mulled wine and mince pies after the meeting and to participate in a raffle to raise funds for his chosen charity, East Anglia's Children's Hospices.

**87/14DECLARATION OF INTERESTS (AGENDA ITEM 4)**

No declarations were made.

**88/14CHANGE TO STANDING ORDER NO. 5 - ORDER OF BUSINESS (AGENDA ITEM 5)**

Following the successful trial of Leader's Announcements and Questions at the last meeting the Monitoring Officer had been requested to present a report to amend Standing Order No 5 to include that item at future Council meetings. Members had supported the recommendation at the previous meeting.

**RESOLVED** that delegated authority be given to the Monitoring Officer to update the Constitution of Breckland Council to include the following:

- a) Leader's Announcements to be added to 'Standing Order No. 5 - Order of Business' to allow for the addition of Leader's Announcements as part of the Order of Business
- b) The Leader's announcement will be in the form of a verbal report to Council.
- c) All Members may ask questions of the Leader on the content of the Leader's announcements.
- d) Questions and answers on the Leader's announcement will be limited to a period of 30 minutes in total.
- e) The Leader may invite Members of the Council's Executive to respond to questions on the Leader's behalf.
- f) The Leader has the right to respond to questions raised after the meeting. This will be in writing and to all Members of the Council.

**89/14LEADER'S ANNOUNCEMENTS (AGENDA ITEM 6)**

The Leader of the Council updated Members on the following key issues that the Cabinet and Senior Officers were working towards:

- Open for Business – The Council had organised an event in Snetterton to discuss how to assist local businesses to be successful. The event had been attended by representatives from around 37 Breckland businesses, the Chairman of the New Anglia Local Enterprise Partnership, the Chief Executive of the Norfolk Chamber of Commerce and representatives from the County Council. Excellent feedback had been received and a proposition was being prepared by Cabinet to

**Action By**

present to Council.

- Snetterton Biomass Plant was a project that the Council had worked with partners to drive forward. It was due to start generating electricity in 2017 and would provide jobs both during the construction phase and once it was operational.
- The A11 improvements were due to open soon and would present a great opportunity for the District. It had to be borne in mind that the improvements would make it easier for people to leave the district as well as access it. Breckland was already a net exporter of people – meaning more people lived in the District but worked outside of it. That was something that needed to be addressed.
- Meetings had now been held in Thetford and Attleborough at which the Council's approach to helping places develop in the right way had been discussed. The meetings had been well attended and the process would continue with the next meeting scheduled for January.
- The Council had launched its Pride in Breckland Awards 2015. There were nine categories of award and the closing date for nominations was 18 January with a presentation event to be held in March. Members were encouraged to pass on the invitation to nominate people, groups and businesses for recognition.
- The Participatory Budgeting (PB) event was also taking place with each market town having £10,000 to award in grants. The money came from 2<sup>nd</sup> Homes Council Tax. Grants would be awarded for projects focussing on the Pride Board priorities of getting people active.

The Chairman then invited Members to ask questions relating to the content of the report.

Councillor Williams asked if the PB grants would affect the other larger grants the Council made and he was advised that they would not.

The Leader of the Labour Group welcomed the A11 dualling and asked what action the Council could take to capitalise on the benefits that would bring.

The Leader of the Council said that the Council was working with South Norfolk and all other partners to maximise the potential and it had been one of the reasons for the Snetterton event.

The Chairman of the Council noted that the Thetford Business Forum was working with the Mildenhall Business Forum for the same reason.

Councillor Borrett said that he would welcome similar investment in the A47 to connect Dereham to the rest of the dual carriageway system.

Councillor Williams noted that the lack of funding for such improvements led to increased congestion and accident rates.

The Chairman asked what route the Snetterton Biomass plant would take to connect to the National Grid and what its output would be.

The Executive Member for Assets & Strategic Development responded that the plant would link to the National Grid in Diss. The output figure was not known and the Leader agreed to distribute that information separately.

There were no further questions.

**90/14 CABINET MINUTES (AGENDA ITEM 7)**

**RESOLVED** that the unconfirmed Minutes of the Cabinet meeting held on 25 November 2014 be adopted.

**91/14 OVERVIEW AND SCRUTINY COMMISSION (AGENDA ITEM 8)**

The Chairman of the Commission reminded Members that the Minutes had been delayed due to Officer sickness. The meeting had focussed on ICT issues and that matter would be returning to the Commission on 12 February 2015 when a Norfolk County Council Member had been invited to attend.

**RESOLVED** that the unconfirmed Minutes of the Overview & Scrutiny Commission meeting held on 9 October 2014 be adopted.

**92/14 PLANNING COMMITTEE (AGENDA ITEM 9)**

92 .a Confirmed Minutes of the Meeting held on 27 October 2014.

**RESOLVED** that the confirmed Minutes of the Planning Committee meeting held on 27 October 2014 be adopted.

92 .b Unconfirmed Minutes of the Meeting held on 24 November 2014

**RESOLVED** that the unconfirmed Minutes of the Planning Committee meeting held on 24 November 2014 be adopted.

**93/14 GENERAL PURPOSES COMMITTEE (AGENDA ITEM 10)**

**RESOLVED** that the unconfirmed Minutes of the General Purposes Committee meeting held on 12 November 2014 be adopted.

**94/14 APPEALS COMMITTEE (AGENDA ITEM 11)**

**RESOLVED** that the unconfirmed Minutes of the Appeals Committee meeting held on 26 November 2014 be adopted.

**95/14 MEMORANDUM OF AGREEMENT BETWEEN BRECKLAND COUNCIL AND SOUTH HOLLAND DISTRICT COUNCIL (AGENDA ITEM 12)**

The Legal Services Co-ordinator presented the report which proposed a number of amendments to the Agreement which should have been reviewed by its second anniversary. He recommended that Members approve the amendments to ensure that the document was robust and protected Breckland Council's position.

Councillor Smith was pleased that the section about Intellectual Property Rights had been strengthened.

Councillor Jermy asked about the delay in reviewing the Agreement. The Legal Services Co-ordinator was unaware of the reason for the delay but said there were no legal implications and the two parties to the Agreement had not raised any concerns. In future he would ensure that the Agreement was reviewed bi-annually.

**RESOLVED** that:

(1) the Memorandum of Agreement as amended (at Appendix 1 to the

- (2) report) be approved; and  
the shared management costs/savings (at Appendix 2 to the report) be noted.

**96/14 NOMINATIONS FOR COMMITTEE AND OTHER SEATS (AGENDA ITEM 13)**

**RESOLVED** that:

- (1) Councillor Canham replaced Councillor Armes on the Planning Committee;
- (2) Councillor Canham replaced Councillor Armes on the Licensing Committee; and
- (3) Councillor Canham be a Substitute Member of the Overview & Scrutiny Commission.

With regard to appointments to Outside Bodies, Hamond's Educational Trust had requested a reduction to two Council appointees in future. Councillor Sharpe would be removed and Councillors Darby and Matthews would continue as the Council's representatives.

**97/14 REPORT AND RECOMMENDATIONS FROM THE LOCAL ASSET BACKED VEHICLE (LABV) PROJECT BOARD (AGENDA ITEM 14)**

The Chairman advised Members that if they wished to discuss the details contained in the Appendix to the report it would be necessary to pass a motion to exclude the press and public.

The Leader of the Council said that the LABV was a Member-led project which exemplified the Council's long tradition of having a commercial outlook. He was confident that the Council would approve the next step in the process, which was not the final step but a progression. The matter would come back to Council before any final decision was taken. He emphasised that the LABV project was not focussed primarily on the bottom line but was aimed at assisting in the regeneration and the growth and prosperity of the district. It would provide homes and business premises to ensure that Breckland truly was 'a better place with a brighter future'.

The Executive Member for Assets & Strategic Development then spoke. He thanked the in-house project team for their hard work and diligence. They had identified that more could be done to enhance the Council's asset base. The LABV option had been investigated; objectives had been set and then the market appetite had been tested. Part of the proposal was that the Riverside project had to be delivered first. Full Council approval would be required before the contract could be signed. The Executive Director Place was then asked to give a presentation (copy attached), following which Members were invited to ask questions.

Councillor Lamb asked how the LABV differed from PFI and what the Council's contribution would be apart from land. A considerable sum of money had been set aside for the Riverside Project and he asked where that had gone and whether the bidder would be providing money.

The Executive Director Place advised that the fundamental difference between LABV and PFI was that PFI often depended upon a private sector partner investing capital which was subsequently repaid over time via revenue from the facility which

**Action By**

was then leased to the Council. A LABV gave the opportunity for joint investment to directly deliver projects such as housing and, when the development was sold the money from the sale repaid the Council and the partner or was invested in an asset subsequently owned by the Council. The successful bidder had been involved in some well respected PFI schemes which were operating successfully.

Councillor Williams noted that with the proposed 90% - 10% split the Council would carry 90% of the loss if the development failed or the partner withdrew. He asked how that risk was covered. The alternative was 100% of the risk.

The Executive Director Place explained that the Council held a 90% interest in a proposal which was not loss-making and it would therefore receive 90% of the profit returned across all three schemes.

Councillor Childerhouse asked if there had been a robust assessment of viability for the two residential schemes which both offered 40% affordable housing, as he was aware that most schemes were not getting anywhere near the 40% mark.

The Executive Director Place advised that the Bidder had put the proposal to the Council and had said that both sites would provide 40% affordable housing and the Council would require that figure.

Councillor Jermy thanked the Director and said that a lot of his questions had been answered by her presentation and by the Members Briefing which he had attended the previous week. He was still struggling to grasp what added value the LABV would bring and he found it difficult to quantify the role of the private partner. The Council had procured services before and could continue to do so to get the development done.

The Executive Director Place explained that a range of alternatives had been considered in detail including financial calculations and the ability to deliver. The Council might not be able to meet the timetable for delivery of Riverside without the LABV partner.

Councillor Wilkin commented that the Riverside project had a very tight timescale and he asked if there were robust penalty clauses if that timescale was not met. It was confirmed that there were and that absolute failure would mean that the bidder ceased to be the Council's partner.

Councillor Borrett approved of the scrutiny that Members were giving the proposal but he thought it was important to say that it was about improving people's lives. He applauded the Cabinet for being innovative. It was an opportunity to kick start development in Thetford and give the confidence for other investment for follow. It was right in the heart of the town and just what Thetford needed. He fully supported the proposal.

The Leader of the Council said that it was hoped the proposal would start a ripple effect and lead to the development of the other side of the river as well. The three sites included in the LABV were just the start and there were a large number of other opportunities across the District.

The Executive Member for Assets & Strategic Development said the timescale for the first business plan was very short and in the two to three years it would take to progress those developments the next business plan would be being prepared so that it was in place before development finished. It would be a rolling programme and would progress in time to a standard LABV model. With regard to affordable

**Action By**

housing he noted that land values were low but that as the Council was not taking an element of profit from the land the sites should be viable.

Councillor Gilbert felt a bit underwhelmed and hoped that it was just the start of something bigger. There were other parcels of land in Breckland which had no strategic importance for development and he asked what would happen to those and whether they would be looked at with the preferred partner.

The Leader of the Council agreed and said that once the LABV was set up they would talk to the partner to ensure best value, not just in money terms but for the community.

Councillor Claussen asked for the word 'regeneration' to be included in the project. He proposed that the 'R' in BRIDGE should be changed to regeneration.

The Executive Member for Assets & Strategic Development agreed with that.

Councillor Smith thanked the Executive Member for all his work. He endorsed the project which would act as a driver for change. He thanked the Councillors that had raised questions at the briefing which had clarified a lot of information. The time was right to take advantage of this opportunity and he was happy to support it. He had one question which was what was the consequence for other non-LABV development projects?

The Executive Director Place explained that in a traditional LABV all assets were included, but the Council was proposing a stepped, incremental approach with only three projects being included at this stage. Therefore all other assets could be considered in the future. The next stage would be to consider which assets to include in the next business plan.

It was confirmed that each business plan of projects would be presented for Council approval.

Councillor Smith asked if there would be funding available for any projects which were not included in LABV but which could still have community or other benefit.

Councillor Cowen had asked questions at the briefing to test the proposals and the answers he had received together with the presentation had given him great enthusiasm for the project. Thetford was poised for major growth and it was an opportunity to act as a catalyst. The Council was not out to make a 'fast buck' it was all about giving a huge return for residents. He had one final question. If the preferred bidder was not successful in achieving the required timescale would the other two bidders still be in the running?

The Executive Director Place said that all the experts involved believed that the preferred bidder could be a successful partner. She could not give a 100% guarantee but she asked Members to approve the move to the financial close and she would be happy to work with the bidder to secure the timetable. With regard to the other bidders, the Council would not go back to either. If the preferred bidder was not successful the Council would seek an alternative contractual mechanism to deliver the Riverside project.

Councillor Sharpe noted that the document said that unsuccessful bidders could appeal the decision. The Executive Director Place confirmed that was the case. They had a ten day window to challenge the legality of the choice which was why there was a ten day standstill before consultations would commence. However,

they were not expecting a challenge.

Councillor Williams asked for assurance that there would be due diligence to ensure that the contract was sound as others had ended up costing the Council money.

Councillor Jermy supported the proposal on the basis of the much needed facilities it would bring to Thetford. He was not certain about the method, but the chance for jobs was good.

Councillor Lamb noted that the Riverside was currently a demolition site and it would be good for something to be done to it. He asked some questions about the finances and was advised that the details were in the confidential appendix to the report.

**RESOLVED** that

- (1) Option 1 be approved and:
  - a. Land Group LLP's LABV solution be agreed;
  - b. Land Group LLP be approved as Preferred Bidder following the procurement exercise;
  - c. the final phase of the procurement consisting of finalisation of the contractual documents be approved; and
  - d. prior to signing the contractual documents approval would be sought from Full Council.

*Councillor Lamb abstained from voting on the above proposal.*

- (2) the following recommendations were also approved:
  - a. To select Land Group LLP's variant LABV solution and appoint Land Group LLP as the Preferred Bidder.
  - b. The initial business plan sites for the LABV joint venture will be Riverside, Burghwood Drive Mileham and Chapel Road Attleborough.
  - c. To delegate authority to the LABV Project Board to complete the financial and legal requirements necessary to reach legal and financial close, within the existing budget as previously approved for this project.
  - d. That prior to financial and legal close approval of Full Council is sought to approve entering into the contract.
  - e. The LABV Project Board with existing membership will continue to meet as required.
  - f. To delegate authority to the Chief Executive to identify and instruct appropriate officers to set up a wholly owned local authority company which is limited by shares which will be the Special Purpose Vehicle to deliver the LABV.

The Chairman thanked Members for a well structured debate.



**Action By**

The Leader of the Council expressed his thanks to Julie Kennealy, Margaret Bailey, Ralph Burton and the LABV Board. He also advised Members that he had given a press briefing about LABV the day before and there had been a positive article in the local press and he would be doing more interviews that afternoon.

The meeting closed at 11.37 am

CHAIRMAN