



EAST
CAMBRIDGESHIRE
DISTRICT COUNCIL

AGENDA ITEM NO. 4

Minutes of the Meeting of East Cambridgeshire District Council held in the Council Chamber, The Grange, Nutholt Lane, Ely on Tuesday 18 December 2018 at 6.00pm

PRESENT

Councillor Allen Alderson	Councillor Richard Hobbs
Councillor Christine Ambrose-Smith	Councillor Julia Huffer
Councillor David Ambrose-Smith	Councillor Mark Hugo
Councillor Anna Bailey	Councillor Bill Hunt
Councillor Derrick Beckett	Councillor Chris Morris
Councillor Mike Bradley	Councillor Charles Roberts
Councillor David Brown	Councillor Hamish Ross
Councillor David Chaplin	Councillor Mike Rouse
Councillor Steve Cheetham	Councillor Joshua Schumann
Councillor Paul Cox	Councillor Carol Sennitt
Councillor Peter Cresswell (Chairman)	Councillor Alan Sharp
Councillor Lorna Dupré	Councillor Mathew Shuter
Councillor Lavinia Edwards	Councillor Stuart Smith
Councillor Lis Every	Councillor Lisa Stubbs
Councillor Mark Goldsack	Councillor Christine Whelan

47. **PUBLIC QUESTION TIME**

There were no questions from members of the public.

48. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllrs Allan, Austen, Green, Griffin-Singh, Pearson, Daniel Schumann and Webber.

49. **DECLARATIONS OF INTEREST**

Declarations of Interests were made by the following Councillors as detailed in respect of Agenda Items:

13 & 14 – Councillors Bailey and Roberts Prejudicial Interest as Directors of ECTC.

50. **MINUTES**

It was resolved:

That the Minutes of the meeting held on 18 October 2018 be confirmed as a correct record and signed by the Chairman.

51. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman made the following announcements.

During this season of goodwill, I am particularly pleased to have the opportunity to announce three items of good news:

First and foremost, my warmest congratulations to Ely Markets on achieving national recognition and being crowned '2018 Market Team of the Year'. The award was recently presented by the National Association of British Market Authorities. The Team were complimented on providing a diverse and quality market, with strong links to the local community.

Congratulations also to Palace Green Homes who won the Innovation Award at this year's Cambridge News and Media Property Awards, for their project at The Fledglings in Soham. The competition judges said: 'This is an innovative, locally focused, community driven scheme that delivers homes and re-invests profits for the future'.

Also congratulations and thanks to our Communications Team who entered 'Michael Recycle' into an 'Education Campaign of the Year' award at the Chartered Institute of Public Relations awards. Michael won gold in the award, against some very strong competition and came away with a certificate, which is now taking pride of place here at The Grange.

As you are aware, I always take the opportunity to give you the dates of forthcoming events:

Our next business visits will be to Corkers Crisps on Friday 18 January 2019 and on Friday 1 March I have organised a tour of the Dojima Sake Brewery in Fordham.

I am also pleased to give you advance notice that next year's Chairman's Reception will be taking place on Friday 22 March 2019 in the Lady Chapel, Ely Cathedral.

Full details of all these events will be sent to you in the New Year.

Finally these past few weeks have been particularly busy, as you will have seen from the list of engagements at the front of this evening's Council Agenda. It serves to highlight, whoever the Chairman is, the importance of the office, in acting as an ambassador for the Council. I am aware that there has been scepticism by some as to whether the role should continue. I

take this opportunity to place on public record, the importance to the Council of public relations. This afternoon I welcomed to the District visitors from America, Canada and France, as well as other parts of the United Kingdom. The value to the local economy of the office should not be underestimated.

In conclusion, may I take the opportunity to offer our colleague Councillor Mathew Shuter many happy returns of the day, as it is his birthday today.

52. **PETITIONS**

No Petitions had been received.

53. **MOTIONS**

No motions were received.

54. **QUESTIONS FROM MEMBERS**

The following questions were received from Councillors and responded to as detailed:

Questions from Councillor Lorna Dupré

- (1) In September 2015, the Commercial Director of East Cambridgeshire District Council advised Cambridgeshire County Council that 'any slippage to this completion date [November 2017] will result in the district council withdrawing this £1million commitment [to the Ely bypass]. The district council will not be releasing any of the £1million commitment until after the bypass is complete and will only release money if the bypass is complete by November 2017'. The bypass was opened on 31 October 2018. How much of the £1million commitment has the district council released, and on what dates?

Response from Director Commercial:

The requirement for the bypass to be completed by November 2017 as a condition for releasing our £1m contribution was withdrawn by the Commercial Director in October 2015.

This action was taken in recognition that the business case required evidence of partner contributions, including the commitment from ECDC.

The Council has released £714,442.82 of CIL contributions to date; £343,453.77 paid in May 2017 and £370,989.05 paid in May 2018.

£106,003.96 will be paid to the County Council in January 2019.

(2) Why is the Council still using HDPE envelopes?

Response from Director Commercial:

The Council continues to use HDPE envelopes to post out agenda packs. This is because they are more durable than paper envelopes. These envelopes are also re-usable: in most cases the envelopes are returned to Democratic Services or Reprographics for re-use.

Question from Councillor Christine Whelan

(3) Where does the Council expect to provide the third affordable dwelling arising from the Barton Road, Ely development and when?

Response from Director Commercial:

The Section 106 Agreement required the provision of two affordable housing units on-site and a contribution in lieu of the third affordable housing unit. The two affordable housing units have been provided on-site and a contribution of £72,142.61 was paid on 18 September 2018.

The Council has not yet committed the contribution to a particular scheme and will look at all opportunities available, including the MOD Site (if approved) to deliver an affordable housing unit with the funds available.

55. **SCHEDULE OF ITEMS RECOMMENDED FROM COMMITTEES AND OTHER MEMBER BODIES**

Council considered a report, T163 previously circulated, detailing recommendations from Resources and Finance Committee:

Resources and Finance Committee – 29 November 2018

(a) Local Council Tax Reduction Scheme (LCTRS) & Business Rates Discretionary Policies 2019/20

It was resolved:

1. That the Local Council Tax Reduction Scheme (LCTRS) for 2019-20 remains unchanged from the current scheme.
2. That Council's policies with regard to discretionary Business Rate reliefs also remain unchanged.

(b) Treasury Operations Mid-Year Review

The Chairman commended the level of return on investments achieved.

It was resolved:

1. That the mid-year review of the Council's Treasury Management for 2018/19, as set out at Appendix 1 of the submitted report, be noted.
2. That the use of Money Market Funds (LVNAV) funds be authorised, as detailed in paragraph 4.2 of the submitted report.

56. **ESTABLISHMENT OF NOT FOR PROFIT REGISTERED PROVIDER**

Council considered a report, T164 previously circulated, detailing proposals for the establishment of a Not For Profit Registered Provider (NFPRP) of affordable housing and the making of an application to the Social Housing Regulator for Stage One Consent.

The Director Commercial explained the benefits of the preferred option of a NFPRP and the two stage process for registering to become a body of this nature.

Councillor Dupré expressed her support for the proposals on the basis that this was an explorative process and the detail would be submitted to a future Council meeting. She stated that the rent setting policies of the NFPRP would be very important to ensure that truly affordable houses were available in the local economy. Councillor Dupré requested that all options be clearly set out in any future reports, to give clear comparisons on which Members could make an informed decision.

Councillor Beckett stated that he also broadly supported the proposals, but queried how the Council aimed to acquire houses for the NFPRP. The Director Commercial explained that this would be set out in the financial modelling that would be part of stage 2 of the process.

In response to a question by Councillor Alderson regarding the payment of Directors, the Director Commercial stated that this also would be part of stage 2 of the process. However, there was no intention to remunerate existing ECDC officers who became Directors, in accordance with current practices for the existing Trading Companies.

The Leader of the Council, Councillor Roberts, commented that this was another example of the Council keeping ahead of the game.

It was resolved:

1. To establish a Company Limited by Guarantee; East Cambridgeshire Housing Association.
2. To authorise the Chief Executive, Director Commercial and Legal Services Manager to complete the necessary legal documentation to implement 2.1.1 above.
3. To authorise the Director Commercial to submit a Stage One (preliminary) application to Social Housing Regulator for East Cambridgeshire Housing Association to be registered as a not-for-profit registered provider.

57. **FORDHAM NEIGHBOURHOOD PLAN ADOPTION**

Council considered a report, T165 previously circulated, requesting the formal adoption of the Fordham Neighbourhood Plan following the successful referendum on 8 November 2018.

Members congratulated Fordham on being the first Parish in the District to complete a Neighbourhood Plan.

The Chairman of Planning Committee and a local Ward Member for Fordham, Councillor Joshua Schumann, stated that this would be a welcome document for the people of Fordham and was a good indication of how a village could pull together to produce a plan that would shape future development within that village. He highlighted the slogan on the front page of the Plan 'The building blocks for the future of Fordham' which demonstrated that it was not intended to stop development and growth but to shape it. Councillor Schumann commended the Plan as '47 pages of absolute brilliance' and thanked all of those who had worked to complete the Plan.

Councillor Beckett also commended Councillor Schumann for his work in relation to the Plan and stated that it was a positive move forward for Fordham. However, he referred to a reference that if the Council's Local Plan failed, the Neighbourhood Plan also would fall. The Director Commercial agreed to provide Members with a written response on this issue. In that connection, Councillor Schumann stated that he had undertaken some research on this issue and believed that if the Council could demonstrate a 3 year land supply and had delivered 50% of the required number of houses for that 3 year period, the Neighbourhood Plan still would be valid.

Councillor Dupré congratulated Fordham on being the first village in the District to have a Neighbourhood Plan adopted, particularly since it had started its work after other villages. As a member of the

Sutton Steering Group, she understood the amount of work required to achieve this.

It was resolved (unanimously):

1. That Fordham Parish Council be congratulated on its preparation of a Neighbourhood Plan and a successful referendum outcome, becoming the first Parish Council to do so in East Cambridgeshire.
2. That the Fordham Neighbourhood Plan (as attached at Appendix 1 to the submitted report) be formally made part of the Development Plan for East Cambridgeshire with immediate effect.

58. **COMBINED AUTHORITY UPDATE REPORTS:**

a. October 2018

b. November 2018

Council received reports on the activities of the Combined Authority from the Council's appointees.

The following question was asked by Councillor Lorna Dupré and responded to as detailed in relation to the report of the Combined Authority Audit & Governance Committee on 30 November 2018:

In view of the dismissal of the fourth Combined Authority Chief Finance Officer in 2 years, how confident is the Authority that the fifth Chief Finance Officer will last?

Response from Councillor Charles Roberts:

The previous post holder was appointed on an interim basis, but the Combined Authority is confident that it will be able to make a permanent and lasting appointment to the role.

It was resolved:

That the reports on the activities of the Combined Authority from the Council's appointees be noted.

59. **ACQUISITION OF FORMER MOD SITE, ELY**

Councillors Bailey and Roberts left the meeting for the duration of this item and the following Exempt item.

Council considered a report, T166 previously circulated, detailing proposals for the acquisition of the former MOD site at North Ely. The Chairman drew Members' attention to the revised version of the report with amended financial implications circulated following the despatch of the agenda, copies of which also had been tabled this evening.

The Chief Executive highlighted paragraph 3 of the report detailing the proposals and opportunities of the site.

Councillor Hunt commended the proposal as residents of Ely had been critical of the MOD leaving the properties empty for such a long period. These were sound and solidly built homes greatly needed in the local community. They should not be allowed to deteriorate further.

Councillor Rouse concurred with this view and also highlighted the removal of the play area at the site which had been missed by both local children and those further afield in Ely. In addition, the purchase of the site was vital to facilitate the opportunity for the regeneration the Princess of Wales Hospital. Councillor Rouse thanked the Combined Authority for the loan to enable the purchase for the benefit of the City of Ely.

Councillor Whelan also referred to the loss of the play area and expressed the hope that this would be replaced as part of the development of the site, as it had been well used by children throughout Ely and access to open spaces was very important for children.

Councillor Hobbs endorsed the above views and congratulated officers on their work to provide the Council with this opportunity. He believed that this needed to be progressed quickly to prevent the houses deteriorating further. Councillor Bradley specifically thanked the Mayor the Combined Authority, Chief Executive and officers at ECDC and stated that this was an excellent example of how officers from different bodies can work together to progress pioneering projects.

Councillor Dupré welcomed the bringing back of the properties into use, but queried the low level of affordable housing. She expressed the hope that the opportunity would be taken in phase 2 of the development for a higher proportion than the required 30% of the 62 houses to be developed as affordable houses. Councillor Dupré also queried the security of the additional £1.5M loan to the Trading Company. The Strategic Land Advisor, Phil Rose, stated that the additionality of affordable housing provision could be explored. The Finance Manager and S151 Officer, Ian Smith, reported that the Combined Authority would be the first charge on the loan, so this Council would be providing an unsecured loan. However, the financial Business Case had been reviewed by both the Finance Team at the Council and at the Combined Authority and the view was that the project had limited risk.

Councillor Every commented that this was a long awaited project and there was a real desire among local residents to see something happen with regard to the site and the Princess of Wales Hospital. She also had been approached regarding the play area and had discussed the issue with officers.

Councillor Beckett agreed that this was an excellent opportunity for the Council, but commented that the original loan facility to the Trading Company now was being increased from £5M to £6.5M. Therefore, the Council should not lose track of the level of borrowing. In response to a question from Councillor Beckett about the projected profit from the project, the Strategic Land Advisor reported that this was anticipated to be £1.5M.

In the context of the discussions, Councillor Schumann stated that in light of a likely Planning application for the site, he wanted to place on record his support for the principle of the purchase, but would be keeping an open mind regarding the future consideration of any Planning application. In response to a question from Councillor Schumann regarding the interest rate payable for the unsecured loan, the Finance Manager reported that this was a commercial rate of 5.22%.

Councillor Alderson was supportive of the scheme, but expressed concerns regarding the level of affordable housing proposed here and on other sites within the District, due to the high level of demand locally from people with young families.

Councillor Brown commented that he had been a District Councillor for 11 years and the future of these houses had been raised at the first meeting he attended. If the Council had been aware of their availability for disposal when the original loan had been made to the Trading Company, he believed that the Council would have agreed to it being £6.5M.

In summing up, Councillor Hunt stated that these houses needed to be acquired to bring the area concerned back to life in the interests of local families and the future development of the Princess of Wales Hospital, so the project was a 'happy marriage'. He also recognised that none of this would be possible without the partnership with the Combined Authority and hoped that this would continue with future schemes. He acknowledged that the Trading Company would have to work with Planning Officers on the design of the development and that it would be subject to the submission of a Planning application. With regard to the loan, the Council had money on deposit gaining interest of far less than 5%, so the Council was making a reasonably secure investment that was achieving a good return. Therefore, Councillor Hunt urged Members to support the recommendations in order to continue a sustainable process of providing affordable houses and then re-using the funding generated to build more.

It was resolved (unanimously):

1. To approve the purchase of the former MOD site, Ely and the concurrent transfer to East Cambs Trading Company (ECTC).
2. To approve an extension of the loan facility on a drawdown basis by an additional £1.5m for the purposes of the purchase and development of the site as detailed in paragraph 5.0 of the submitted report.
3. To authorise the Section 151 Officer and Legal Services Manager to complete the necessary legal and financial documentation required to implement 1 and 2 above.

60. **EXCLUSION OF THE PRESS AND PUBLIC**

It was resolved:

That the press and public be excluded during consideration of the following item because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of public were present during the item there would be disclosure to them of exempt information of Category 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

61. **ASSET MANAGEMENT MATTER – PARISH OF ELY**

Council considered a report regarding an asset management matter relating to the Parish of Ely.

Following detailed consideration and debate on the issues,

It was resolved (unanimously):

1. That approval be given to the land acquisition and transfer to East Cambs Trading Company (ECTC) as detailed in the submitted report.
2. That the Chief Executive and Legal Services Manager be authorised to complete the necessary legal documentation to implement the land acquisition and transfer.

The meeting concluded at 7.17pm.

Chairman.....

Date 21 February 2019