

WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Corporate Policy and Resources Committee held in the Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA on 27 October 2016 commencing at 6.30 pm.

Present: Councillor Jeff Summers (Chairman)
Councillor Mrs Anne Welburn (Vice-Chairman)

Councillor Owen Bierley
Councillor Matthew Boles
Councillor Michael Devine
Councillor Adam Duguid
Councillor Steve England
Councillor Ian Fleetwood
Councillor Giles McNeill
Councillor John McNeill

In Attendance:
Ian Knowles Director of Resources and S151 Officer
Steve Anderson
Jo Walker Team Manager Projects and Growth

Apologies: Councillor David Cotton
Councillor Tom Regis
Councillor Reg Shore

Membership:

55 PUBLIC PARTICIPATION PERIOD

There was no Public Participation

56 MINUTES OF PREVIOUS MEETING

56a CORPORATE POLICY AND RESOURCES COMMITTEE

RESOLVED that the minutes of the Corporate Policy and Resources Committee held on 22 September 2016 be confirmed and signed as a correct record.

56b JOINT STAFF CONSULTATIVE COMMITTEE

RESOLVED that the minutes of the Joint Staff Consultative Committee held on 8 September 2016 be noted.

57 DECLARATIONS OF INTEREST

There were no declarations of interest at this point of the meeting.

58 MATTERS ARISING SCHEDULE

The Governance and Civic Officer presented the Matters Arising Schedule which showed two items, one of which was black as being complete – the Acquisition of a Commercial Property was an agenda item for this meeting, and the green item was for inclusion in the Progress and Delivery Report for submission at the following meeting.

RESOLVED that the Matters Arising Schedule as at 19 October 2016 be noted.

59 INTRODUCTION OF INFORMATION GOVERNANCE POLICIES

The Information Governance Manager introduced the report which sought approval for new policy documents to support the Council's compliance with information-related legislation.

The Council has, over many years, developed and maintained a framework of policies relating to Information Compliance, Information Rights, and Information Security. The report introduced three new policy documents.

- **Information Governance Policy** which demonstrated the Council's commitment to protecting and managing information securely and effectively and to reducing the risks to the Confidentiality, Integrity, and Availability of its information assets.

The Policy set out how the Council would organise its activities around six strands to achieve the objectives of information governance:

1. Risk Management;
2. Key Policies;
3. Information Governance Roles and Responsibilities;
4. Key Bodies;
5. Staff Information Security Awareness; and
6. Information Security Incident Management.

The Policy described, at a high level, the key elements within these six governance strands and ensured continuous improvement of the whole function by mandating an Information Governance Improvement Plan. This plan would be monitored and progressed by the Corporate Information Governance Group (CIGG) and reported to GCLT six-monthly.

- **Legal Responsibilities Policy** - There was a plethora of legislation and regulations governing how information must be collected, protected, and managed. The Legal Responsibilities Policy listed the relevant legislation and outlined the risks to the Council (and in some cases, individuals) for failing to comply.

The Policy set out in general terms what the Council and its employees needed to do to comply with each piece of legislation. It was not intended to be a comprehensive reference of information law but it did demonstrate that the Council understood the legal framework in which it operated and was working to manage the risks to itself, its employees and partners, and its customers.

Information Sharing Policy - As a Data Controller under the Data Protection Act 1998 (DPA), the Council was responsible to its staff and citizens for processing and protecting vast amounts of their personal information. Often, there were sound business reasons or the need to comply with legislation to share this information with other agencies or partners.

The Chairman of the Governance and Audit Committee informed Members that the Council had received a low assurance on cyber security and it was important that the proper policies were in place to ensure good protection. He therefore welcomed the policies and moved the recommendations.

The proposed recommendations were then seconded and voted upon and it was:

RESOLVED that:

- a) the Information Governance Policy, Legal Responsibilities Policy and Information Sharing Policy for formal adoption be approved; and
- b) delegated authority be granted to the Director of Resources to make minor housekeeping amendments to the policy in future, in consultation with the chairman of the Corporate Policy and Resources committee and chairman of Joint Staff Consultative Committee.

60 COMMITTEE WORK PLAN

The Director of Resources informed Members of the Committee of a number of updates to the Work Plan. The Debt Collection item was not a matter for decision so would be circulated for Members' information. A further item of a Development Loan was to be included on the next agenda, some information of which would be confidential and circulated on pink paper, although as much of the report as possible would be open.

RESOLVED that the Work Plan be noted.

61 EXCLUSION OF PUBLIC AND PRESS

RESOLVED that under Section 100 (A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

62 PROCUREMENT OF A DEVELOPMENT PARTNER FOR WLDC

The Director of Resources and Team Manager Projects and Growth introduced the report which sought approval for the procurement of a development partner to assist the Council in the implementation of Gainsborough's Regeneration Delivery Plan.

Initially, this would include the development of the Council assets in Gainsborough town centre and potentially deliver the Council's wider housing plans for Gainsborough, namely the Housing Zone agenda with the Homes and Communities Agency and assist in the delivery of the Urban Extensions.

The procurement process was being conducted in accordance with the competitive dialogue procedure for complex projects (pursuant to Regulation 30 of the Public Contracts

Regulations 2015) which allowed development and financial solutions to be fully considered and refined with a shortlist of pre-qualified developers. A key benefit of this procedure was the ability to commence the dialogue with a long list of sites/projects and test the cohesiveness and viability of “the preferred solution”.

The procurement of a development partner was integral to the delivery of the Council’s corporate regeneration and commercial agendas (approved by the Council in March 2016). Specifically, it would ensure that the Council's objectives to achieve economic and housing growth were realised, maximising the use of the Council’s asset base and enabling funds to create an appropriate financial return to the Council.

Stage one, the formal market testing of the procurement scope of the project had been completed and a Memorandum of Information had been prepared to respond to the feedback to further improve the attractiveness of the opportunity to the market.

The next stage of the project is to publish an Official Journal of the European Union (OJEU) notice and invite developers to submit a Pre-Qualification Questionnaire (PQQ). The PQQ would be evaluated in accordance with the pre-disclosed evaluation criteria and this would predominantly focus on financial standing and proven relevant experience of delivering similar complex development projects.

Twelve companies had attended developer meetings and there was interest from some leading organisations, who understood the marginality of Gainsborough, and feedback had been positive. The Memorandum of Information (MOI) was attached as Appendix 2 of the report and outlined in further detail the procurement scope and objectives of the project.

Note: Councillor Giles McNeill sought clarification that the Gainsborough LDO was included in the scheme and on this being affirmed declared a personal interest in that he knew one of the architects involved.

It was pointed out that the report stated that the project would be led by the Commercial Director. Given her imminent departure assurance was sought that appropriate management would remain in place, this was affirmed as being in process.

The report had been considered and welcomed by the Prosperous Communities Committee, and Members urged that the project be expedited as soon as possible.

The recommendations in the report were moved, seconded and voted upon.

RESOLVED that:

- a) the OJEU notice and Memorandum of Information (MOI) in Appendix 1 and 2 of the report, that set out the scope of the procurement for the Development Partner be approved; and it be noted how the OJEU Notice and MOI have been augmented to respond to the market feedback received from the market following the publication of a Prior Information Notice;
- b) the Pre-Qualification Questionnaire and related evaluation criteria in Appendix 3 be approved, to enable a minimum shortlist of 3 bidders to be selected to work up outline solutions.
- c) the project be progressed in line with the process and timeframe agreed on the 14th of July, to the next key committee milestones;

- prior approval of the Invitation to Submit Outline Proposals ("ISOP") and Invitation to Submit Detailed Solutions ("ISDS") documents to be released to the shortlisted bidders; and
- prior to selection of the preferred bidder; as detailed in section 4 of the report.

63 MANAGED WORKSHOP PROVISION

The Team Manager Projects and Growth presented a report seeking consideration of a proposal for the Council to take a head lease for a complex of industrial units, with a development team to build the units and sell these to businesses on a freehold basis.

The development team had identified a need and demand for leasehold units in the area, to cater for smaller, start-up businesses who were not yet in a position to purchase their own premises. This was a need that had also been identified by the Council.

The typical tenant for this sort of accommodation was a new start-up business with limited financial backing and the need for flexibility. In these circumstances, most tenants required short term 'easy in - easy out' leasehold arrangements which, from an investment perspective, undermined the reliability of the income stream and made it difficult to secure affordable finance to cover the cost of constructing the units.

The predicted cash flow summary and development appraisal summary were appended to the report.

Members welcomed the proposals and noted that a similar scheme had been established in North Kesteven, for which there had been a high demand. Success with the scheme could be replicated elsewhere. It was again noted that the proposals have been considered and approved by the Prosperous Communities Committee.

The length of the lease term and the potential returns were discussed and it was questioned whether there would be a break clause should the scheme not prove viable. Assurance was given that legal advice was being sought to procure the best deal for West Lindsey District Council.

The project would be managed by an agent on a day to day basis, and overseen by the Property or Growth team within the Council.

The recommendations were then moved, seconded and voted upon.

RESOLVED that:

- a) the principle of the taking of a head lease for a complex of industrial units be approved;
- b) delegation be given to the Director of Resources, in consultation with the Chair of Corporate Policy and Resources Committee for the negotiation and the final decision to approve the detailed commercial legal terms and the signing of the head lease.

64 POTENTIAL PROPERTY ACQUISITION

The Team Manager Projects and Growth set out the rationale for the proposed acquisition of a property in the town.

The acquisition of the site was envisaged in the Gainsborough Regeneration Delivery Plan (GRDP) on the basis of its strategic location (relationship with the historic fabric of the town and Housing Zone designation in addition to the forthcoming master planning work to secure the town's second Housing LDO), considered by members of the Prosperous Communities and Corporate Policy Resources committee in February. In addition the potential to incorporate the site into the Development Partnership project to provide contingency retail and car parking spaces was outlined to the special committee meeting of both committees in July.

Council control of the site would enable the redevelopment of the town centre sites in its ownership, specifically the former Guildhall and in the longer term high quality redevelopment to housing and mixed-use to support the Council's regeneration objectives. The financial details were set out in the report along with the appended Heads of Terms.

The Director of Resources suggested that Recommendation 3 be amended to specify the officers responsible for completion of the purchase and sale.

Members of the Committee moved and seconded that delegation be given for negotiations to be undertaken by the Director of Resources following consultation with the Chairman of the Policy and Resources Committee.

RESOLVED that Recommendation 3 be amended to read:

"3. That Members approve the attached Heads of Terms for the above transactions and delegated authority be given to the Director of Resources following consultation with the Chairman of the Policy and Resources Committee to complete the purchase and sale in line with these terms by a long stop date of March 2017."

The amended recommendations in the report were proposed and seconded en bloc and on being voted upon it was:

RESOLVED that:

- a) the release of Capital Funds to acquire the property as described in the report, as part of the Gainsborough Regeneration Delivery Plan, be approved;
- b) the appropriate revenue budgets as detailed within the report be approved; and
- c) the Heads of Terms for the above transactions attached to the report be approved, and authority be delegated to the Director of Resources following consultation with the Chairman of the Policy and Resources Committee, to complete the purchase and sale in line with these terms by a long stop date of March 2017.

Corporate Policy and Resources Committee- 27 October 2016
Subject to Call-in. Call-in will expire at 5pm on

The meeting concluded at 7.14 pm.

Chairman