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## COMMERCIAL BOARD

**Minutes of a Meeting held on Wednesday 13 March 2019 in the Council Chamber, Town Hall, Matlock at 6.00 pm.**

### PRESENT

Councillor Albert Catt - In the Chair

Councillors Richard FitzHerbert, Steve Flitter, Mike Ratcliffe, Lewis Rose OBE and Andrew Shirley.

Paul Wilson (Chief Executive), Tim Braund (Head of Regulatory Services), Mike Galsworthy (Estates & Facilities Manager), Rob Cogings (Head of Housing), Isabel Cogings (Rural Housing Enabler), Bob White (Strategic Housing Investment Co-ordinator) and Jackie Cullen (Committee Assistant).

Cllr Chris Furness (DDDC Representative at PDNPA)

Messrs Aaron Elliott and David Howson – Associate Directors, Altair Services

1 member of the Press.

### APOLOGIES

No apologies for absence were tendered.

### 385/18 – MINUTES

It was moved by Councillor Albert Catt, seconded by Councillor Mike Ratcliffe and

**RESOLVED**  
(unanimously)

That the minutes of the Commercial Board meeting held on 12 December 2018 be approved as a correct record.

The Minutes were signed by the Chairman.

### **386/18 – PUBLIC PARTICIPATION**

In accordance with the procedure for public participation, Councillor Chris Furness (DDDC Representative at PDNPA) commented on the progress of commercialisation at the PDNPA, with particular reference to the Park having appointed a Commercial Director to assess their assets and consider how they could be commercialised, where relevant. Cllr Furness commended this appointment to the Board with regard to Item 8 on the Agenda: COMMERCIAL INVESTMENT STRATEGY IMPLEMENTATION.

### **387/18 – INTERESTS**

Councillor Steve Flitter declared a non-pecuniary interest in Agenda Item 10 - ALTERNATIVE USE OF ASSETS – PUBLIC CONVENIENCES as he had been involved Matlock Town Council's Community Asset Transfer of the Children's Play Area, Hall Leys Park facilities. Cllr Flitter was not present during discussion of this item.

### **388/18 - BUILDING NEW COUNCIL HOUSING – BUSINESS CASE**

The Board considered a report that set out a business case for potential investment in a modest programme of new Council housing, designed to yield an ongoing rental stream and provide good quality social housing, whilst minimising risk to the Council. It was proposed that management and maintenance services would be delivered by a third party such as housing associations or private agents, as set out in the report.

The initial proposal would involve the Council identifying, developing and owning 50 Council homes for affordable rent and shared ownership, and would sit outside the thresholds of a Housing Revenue Account.

Proposed financing arrangements were set out in the report, and it was noted that the Community Housing Team had submitted a successful bid for LGA funding to cover the cost of external consultants to develop a business case around this initiative; funding of £14,000 was awarded by the LGA and Altair Services were selected by the LGA on behalf of the District Council.

Messrs Elliott and Howson, Directors, then gave a brief presentation of their assessment of the Council's initial appraisals and set out an overview of the business case, which clearly demonstrated the feasibility of the programme. The benefits of a direct delivery approach through a development agent were listed in the report, together with resource implications for the Council to consider.

A copy of the presentation was attached as Appendix 1 to the report.

Subject to approval by the Commercial Board, the next stage of the project would be to further develop the business case and produce a project plan to include the process for procuring a development and managing agent to guide the project through delivery and into management.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Mike Ratcliffe and

**RESOLVED**  
(unanimously)

1. The Commercial Board consider the outline business case and determine whether this is an initiative which it wishes to develop further.

2. That subject to (1) above, a further report be presented to a future meeting of the Commercial Board in the summer of 2019 with a refined business case and project delivery plan.

### **389/18 – CREATION OF PSP DERBYSHIRE DALES LLP – UPDATE**

The Board considered an updating report on progress towards the formation of a statutory limited liability partnership - PSP Derbyshire Dales LLP.

At the last meeting of the Board on 12<sup>th</sup> December 2018, Members resolved (Minute 281/18) that subject to the receipt of satisfactory credit and referencing checks, Council was recommended to approve the creation of a limited liability partnership (LLP) between the council and PSP Facilitating Ltd (PSP) and to be called PSP Derbyshire Dales LLP.

At the same meeting, Members delegated authority to the Head of Corporate Services to agree two Partnership legal documents - a Members' and a Procedure Agreement - in consultation with the Chief Executive, the Chairman and Vice-Chairman of the Commercial Board, following a satisfactory due diligence process. PSP Facilitating Ltd (PSPF) were requested to provide the relevant documentation to the Council and subject to receiving Council approval, it was then anticipated that nominations to sit on the Partnership Board would be determined by Council at its 2019 Annual Meeting.

Unfortunately, the documentation from PSP Facilitating Lid was not received until 23<sup>rd</sup> January, following which an internal process of due diligence had revealed a number of issues which required further clarification. In order to protect the Council's interests, the Head of Corporate Services had appointed external Solicitors to undertake a comprehensive review the partnership documents and advise accordingly. The external review was yet to be completed, whereafter revised partnership documents would need to be agreed, following which a further report would be brought either to the Board or to Council.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Mike Ratcliffe and

**RESOLVED** That the Board notes the progress towards the formation of PSP  
(unanimously) Derbyshire Dales LLP.

### **390/18 – COMMERCIAL INVESTMENT STRATEGY IMPLEMENTATION**

The Board considered a report that summarised its achievements during the last 12 months and sought to agree the areas of activity to be pursued during the next 12 months.

The Chief Executive thanked Cllr Furness for his report on the engagement of a Commercial Director at the Peak Park and their progress to date. However, he reminded Members that a programme had been set out in the AMP to bring the Asset register up to date, and that discussions would be held with PSP in due course to consider how these assets could be commercialised.

The achievements of the Council during the last 12 months were set out in the report, and it was considered that this had established a firm foundation for progressing the Council's future commercial ambitions. Commercialisation activities in the public sector were extremely diverse and Council had previously agreed that any future commercial opportunities should be assessed using the criteria set out in paragraph 2.2 of the report. It was reported that the District Council

was already engaged in a number of activities which were commercial in nature and generated financial returns, some examples of which were listed in the report.

Elsewhere on the agenda was a report outlining the potential for the District Council to embark upon a modest programme of future council house building which had the potential to generate a sustainable revenue return on investment. However, in order to further progress the commercial ambitions of the authority, the Board was invited to outline the scope and areas of activity that it wished to pursue during the next 12 months over and above those outlined in the report in order that the limited resources the Council had at its disposal were used to maximum effect.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Albert Catt and

- RESOLVED**  
(unanimously)
1. That the Board notes the report and progress made to date, and continues looking forward to the next phase of developing projects already identified;
  2. That the Board is not seeking to widen the list of projects at this stage, but would remain open to new ideas as and when they present themselves.

### **391/18 – ASSET REGISTER**

The Board considered a report that provided details of the current Asset Register of the District Council's Land and Property Assets which was a requirement of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting; and that informed members of the legal and estates processes in place to refine its content, meet statutory requirements and ensure all land was registered in accordance with the Asset Management Plan 2019-2023 (AMP).

The Asset Register information was included at Appendix 1 to the report, and a copy of the main data included in the Council's map-based system based on legal titles to land and property was attached as Appendix 2 to the report.

In addition to the information published under the Transparency Code, there was also a requirement to include information on the Council's Land and Property Assets as part of the Government One Public Estate (OPE) programme administered by Derbyshire County Council. Whilst the main land and building assets were accurately recorded, inconsistencies with reference numbers on both systems were being addressed to improve the accuracy of the published data. A timescale for undertaking this work was included in the recently adopted Asset Management Plan 2019-2023, and was reproduced in the report.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Andrew Shirley and

- RESOLVED**  
(unanimously)
1. That the board notes the current Asset Register included at Appendix 2 of the report and the processes in place to ensure its content is accurate and fit for purpose;
  2. That the board notes the staff and time resources in the Council's Estates, Legal and Business Support Sections required to achieve the above to the timescales outlined in the AMP.

## **392/18 – ALTERNATIVE USE OF ASSETS – PUBLIC CONVENIENCES**

Councillor Steve Flitter left the meeting at 7.47pm during discussion of this item.

The Board considered an updating report on progress following the previous consideration at its meeting on 25<sup>th</sup> October 2018 of business cases outlining the viability of options to develop or dispose of assets formerly and currently used as public conveniences, as listed, as well as the future use of the Hall Leys Ranger Station and Ammo store.

An update on the current position regarding each site was set out in the report and summarised below:

### ***Bakewell Recreation Ground***

The Board had previously agreed to pursue the option to convert part to park café and to consolidate the public convenience facilities. It was reported that structural survey work had been undertaken and advice on work required was awaited. Furthermore, pre-application advice had been received from the Peak District National Park Planning Authority, and early indications were that currently the proposals were not acceptable to them. Further work would be done to make the case for the proposals in order to meet the Planning Authority's requirements. A team was to be selected from officers on the Council's new Corporate Property Group (CPG) to produce a planning brief for this site. Selection of the team would take place at the first CPG Group meeting in April 2019.

### ***Bus Station, Matlock***

The Board had previously agreed to pursue the option to convert 100% of the facility to retail space. Further discussions had taken place with regard to the potential of this facility and subject to procurement approval a local agent was to be instructed in March 2019 to commence marketing of the unit in the first instance.

### ***Artists Corner, Matlock Bath***

The Board had previously agreed to pursue the option to consider the commercial development potential of this site. Currently, the water and electrical supplies had been disconnected, and a team was to be selected from officers on the Council's new Corporate Property Group (CPG) to produce a planning brief for this site. Selection of the team would take place at the first CPG Group meeting in April 2019.

### ***Children's Play Area, Hall Leys Park / Knowleston Place, Matlock***

Matlock Town Council had agreed to a Community Asset Transfer of this facility and had taken over responsibility on the basis of a Tenancy at Will while the full legal documentation was being prepared. A 15-year lease of the section of the building containing the toilets had now been agreed with Matlock Town Council and was currently under preparation. The Town Council had appointed contractors to undertake the building works and install the coin pay equipment and were progressing with the works with the aim of opening the facility at Easter.

***Rangers Station and Ammo Store, Hall Leys Park, Matlock***

The Community and Environmental Services staff moved back into the Ranger Station in November last year. Following a period of marketing in December and January, several Expressions of Interest had been received for the Ranger Station, Ammo Store and Putting Green site, a number of which were worthy of further consideration. A meeting had been arranged within the next fortnight to discuss these in more detail.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Mike Ratcliffe and

**RESOLVED**  
(unanimously)

1. That the Board notes the progress on the business case for the facilities at Bakewell Recreation Ground, Matlock Bus Station and Artists Corner, Matlock Bath.
2. That the Board notes the outcome of the Expression of Interest Invitation for Hall Leys Park Ranger Station, Ammo Store and Putting Green at Hall Leys Park, Matlock.
3. That progress on remaining facilities be reported to a future Board meeting.

**MEETING CLOSED 7.54PM**

**CHAIRMAN**