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COMMERCIAL BOARD

Minutes of a Meeting held on Wednesday 18 July 2018 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), Sandra Lamb (Head of Corporate Services) and Jackie Cullen (Committee Assistant).

2 members of the public.

1 member of the press.

APOLOGIES

There were no apologies,

77/18 – NOTES OF THE COMMERCIAL BOARD WORKING GROUP

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

RESOLVED
(unanimously)

That the Notes of the Commercial Board Working Group meeting held on 6 June 2018 be received.

78/18 – PROPOSALS FOR A JOINT VENTURE

The Committee considered a report that recommended embarking on a period of public participation to advise on the potential for the District Council entering into a joint venture with the private sector as a vehicle to better manage the Council's property portfolio.

During the last 10 years there had been significant changes to the operational property base through the rationalisation of accommodation and the disposal of surplus land assets to support the District Council's key priorities such as affordable housing. In the coming months the District Council was required to prepare a new Asset Management Plan which would identify the nature and extent of the Council's property portfolio, as set out in the report. Following Council's corporate target set in March 2018 to save £1m by 2020/21 in order to achieve a balanced

budget, it was felt that a more commercial focus to the Council's property assets was essential, for which access was required to a range of options that could most effectively exploit investment and regeneration opportunities together with the relevant skills and expertise.

There were a number of options available to the Council in managing its assets, as listed in the report. The benefits of a joint venture with the private sector were set out in section 4 of the report, and it was reported that the Council had been approached by Public Sector Plc (PSP) to discuss the potential of forming a Joint Venture Limited Liability Partnership (LLP). A presentation was given by PSP to members of the Commercial Working Group on 6 June 2018, and a copy of the presentation slides was attached as Appendix 1 to the report. However, no commitment to PSP was given or implied, and any partnership in the future would be subjected to an appropriate procurement exercise in order to demonstrate best value, in accordance with the Council's Contract Standing Orders.

Members were advised that all options remained available to the Council, and the final selection of a suitable option would be at the Council's discretion.

The legal implications of the above options were detailed in section 5 of the report. It was noted that before making a decision to form a joint venture, the District Council was required to consult whilst the proposal was still in its formative stage and to explain the reasons for the proposal. A six week period of public consultation was therefore recommended prior to any final decision being taken. The ultimate decision would need to be taken by the Council upon recommendation of the Board, and to progress the initiative, specific legal advice would be required on the choice of operating model to mitigate the risk of challenge.

It was moved by Councillor Mike Ratcliffe, seconded by Councillor Richard FitzHerbert and

RESOLVED
(unanimously)

1. That the principle of establishing a joint venture with a private company in order to better manage the District Council's land, and further its corporate aims for affordable housing, employment and regeneration needs, is put forward for public consultation.
2. That a 6 week period of public consultation takes place on the draft proposals and reasoning to form a joint venture, with findings presented to a future meeting of the Board.
3. That specific legal advice is sought on the District Council's powers to form an LLP as a vehicle to successfully partner with the private sector.
4. That an Equalities Impact Assessment be undertaken to accompany the findings of the consultation exercise and presented to the Board in due course.

79/18 – ALTERNATIVE USE OF ASSETS – PUBLIC CONVENIENCES

The Committee considered a report on the viability of options to develop or dispose of assets formerly and currently used as public conveniences.

At its meeting on 30 April 2018, Council referred the following sites for an assessment of their commercial potential, which in one case would be in preference to disposal:

- Bakewell Recreation Ground. This was a retained facility subject to charge for 6 months of the year.
- Bus Station, Matlock. This was a retained public convenience facility subject to charge for 12 months of the year.
- Artists Corner, Matlock Bath. This toilet facility was now closed.
- Knowleston Place, Matlock Green. This was the toilet facility close to the children's play area which was now closed.

The Chairman advised that the Board would consider and vote separately on each of the above sites.

80/18 – BAKEWELL RECREATION GROUND

An assessment of the site was set out in the report, with photographs and layout plans attached as Appendix 1 to the report.

It was noted that interest had now been received from 3 parties, with a preference towards food and drink concessions. The Board was asked to consider the merit of commissioning a business case to evaluate the commercial potential of the property and to seek pre-application advice from the Peak District National Park Authority.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Richard FitzHerbert and

RESOLVED That a business case is commissioned to evaluate the commercial
(Unanimously) potential of property at Bakewell Recreation Ground.

81/18 – BUS STATION, MATLOCK

An assessment of the site was set out in the report, with photographs and layout plans attached as Appendix 1 to the report.

It was noted that no interest had been received in respect of this site; however it was still considered that it had potential as, for example, a retail opportunity or cycle hire facility. The Board was therefore asked to consider the merit of commissioning a business case to evaluate the commercial potential of the property and to seek pre-application advice on the potential for redevelopment of the waiting area.

It was moved by Councillor Steve Flitter, seconded by Councillor Andrew Shirley and

RESOLVED That a business case is commissioned to evaluate the commercial
(Unanimously) potential of property at Matlock Bus Station.

82/18 – ARTISTS CORNER, MATLOCK BATH

An assessment of the site was set out in the report, with photographs and layout plans attached as Appendix 1 to the report.

It was noted that no interest had been received with regard to this site, since initial negotiations with the Canoe Club had proven unsuccessful. The Board was asked to consider the merit of commissioning a business case to evaluate the commercial potential of the property. Alternatively, the Board may consider that it wished to balance the future commercial potential of the property against the one-off benefit of a capital receipt.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Richard FitzHerbert and

RESOLVED That a business case is commissioned to evaluate the commercial
(Unanimously) potential of property at Artists Corner, Matlock Bath.

83/18 – KNOWLESTONE PLACE, MATLOCK (aka the children’s play area in Hall Leys Park)

The Board were advised that further discussions had taken place with Matlock Town Council, who looked forward to hearing the result of the Board’s deliberations. The Town Council was still keen on taking over the facilities, or supporting any replacement. Notwithstanding this, the Board was asked to consider the potential of the current Ranger Station, as detailed in the report, and whether it wished to market the business opportunity to bidders; develop a business case itself, or to allow continued use of the Station as a welfare facility.

It was reported that preliminary interest had been confirmed this week, and it was proposed that a design brief and tender exercise be carried out for a leasehold business to incorporate a public facility, whilst providing a revenue stream for the Council.

It was moved by Councillor Lewis Rose OBE, seconded by Councillor Richard FitzHerbert and

RESOLVED (1) That formal expressions of interest are invited for a commercial lease of the Ranger Station Building and reported to a future meeting of the Board .

Voting: (2) That a decision on future use of the Ammo store as a potential welfare and store facility be deferred pending a decision on (1) above.

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| For | 5 |
| Against | 0 |
| Abstentions | 1 |

Cllr Steve Flitter asked that his vote for abstention be recorded.

84/18 – NEXT MEETING OF THE COMMERCIAL BOARD

In the event that the Board wished to progress the preparation of business cases for any or all of the projects, it would be necessary for the District Council to obtain external support and assistance. The cost of any such assistance would be met from the Commercial Investment Fund.

The timescale for the preparation of detailed business cases rendered it unlikely that these could

be completed before the next scheduled meeting of the Board on 5th September. In order to enable the preparation of any business cases, it was considered that the next scheduled meeting of the Board on 5th September 2018 was rearranged to a convenient date in October 2018.

It was moved by Councillor Albert Catt, seconded by Councillor Richard FitzHerbert and

RESOLVED

(Unanimously)

That subject to the outcome of the above, a further meeting of the Commercial Board is arranged for October 2018 to report on the findings.

MEETING CLOSED 7.00PM

CHAIRMAN