

**RECOMMENDATIONS TO CABINET- 30 OCTOBER 2012 FROM THE
REGENERATION, ENVIRONMENT AND COMMUNITY PANEL
HELD ON 24 OCTOBER 2012**

REC81: EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED: That under Section 100(a)(4) of the Local Government Act 1972, the press and public 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 to the Act.

REC82: MUSEUM SQUARE PROJECT (this item was taken second)

The Panel received a report from the Regeneration & Economic Development Manager on proposals for the Museum Square Project.

With the aid of a powerpoint presentation and video clip, the Regeneration and Economic Development Manager outlined the project's concept and strategic fit.

RECOMMENDATION: That the Panel supported the recommendations to Cabinet as set out the report.

REC83: BLACK SACK WASTE RECYCLING CONTRACT (this item was taken third)

The Panel received a report which detailed the outcome of a direct negotiation process for a Framework Agreement and Contract to recycle waste that was currently landfilled, following a procurement exercise authorised by Cabinet that formally failed.

The Chief Executive reported that he had received a letter from Norfolk County Council regarding the award of recycling credits. Norfolk County Council had pointed out that there was no guarantee that recycling credits would be awarded until they had carried out their own appraisal on the project including a Mass Balance Analysis in order to verify that the process should indeed be classified as genuine recycling. The Chief Executive explained that he had offered to supply the County Council with all relevant information they required to be able to carry out that piece of work, subject to them signing a commercial confidentiality agreement.

RECOMMENDATION: That the Panel supported the recommendations to Cabinet as set out the report.

- RETURN TO OPEN SESSION -

REC85: **GAMBLING ACT 2005 – STATEMENT OF PRINCIPLES**

The Licensing Manager presented a report to the Panel which explained that the Gambling Act 2005 (the 'Act') required all local authorities to publish a Statement of Principles each three-year period. The Council's current policy was approved by full Council on 26 November 2009. Regulations required that local authorities had their statement of principles in place by 31 January 2013.

The Guidance to the Licensing Authorities issued by the Gambling Commission advised on how the policy was to be formulated and the consultation process to which it would be subjected. The Act required that the following parties were consulted:

- The Chief Officer of Police
- One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area
- One of more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Gambling Act 2005.

A list of persons who had been consulted was attached at Annex A to the Draft Statement of Principles. In addition, the consultation had been open to the public on the Borough Council's website.

The consultation proposed no changes to the current Statement of Principles although holders of Small Society Lotteries had been asked to comment on the provision of a basic Criminal Records Bureau (CRB) for lottery promoters. 17 responses had been received from the 155 registered small society lotteries as follows:

- Three were in favour of retaining the CRB;
- Twelve were in favour of a self-certified statement;
- One suggested that the Council accepted CRB disclosure dated older than an calendar month;
- One had no strong view either way.

It was reported that since the CRB policy was introduced in 2010 there had been no instances where a CRB disclosure had revealed any matters which would have brought into doubt a promoter's suitability. Given this, the responses received and the fact that this requirement had caused the biggest irritation from applicants it was proposed that the Council adopt a policy of a self-certified statement instead of a CRB. It was therefore proposed that paragraph 35.2 of the current Statement of Principles be amended to read:

35.2 For new applications or change of promoter, the Borough Council shall require the promoter of the lottery to produce a

statement declaring that they had no relevant convictions that would prevent them from running a lottery. A list of 'relevant' offences was listed at Schedule 7 of the Act.

RECOMMENDATION: That the Panel supports the recommendation to Council as set out in the report to adopt the Statement of Principles in accordance with the requirements of the Gambling Act 2005.

REC86: **PROPOSAL FOR A LARGE SCALE HOUSING DEVELOPMENT ON SOME OF THE COUNCILS LAND HOLDINGS (this item was taken first)**

The Corporate Project Officer gave a presentation to the Panel which accompanied the report.

The presentation detailed how a significant housing development could be progressed on the Councils housing land under arrangements that would see the Council retaining an equity investment in the development rather than simply disposing of the assets. The report also set out the current market scene shown from the Housing, Property, Regeneration and Planning perspective and then considered the reasons why such a scheme would be good for the local economy as well as the Council, whilst demonstrating how any risks to the Council could be mitigated.

It was reported that the proposal was to develop 500 to 700 housing units over a four year period. The sites comprising Marsh Lane part of the Lynnsport Housing site, an affordable housing site on Columbia Way, a possible retirement development on the Puny Drain (HCA land) and the Rosemary Coaches site.

The main aim was to ensure that these units were built over a four year period, to meet the housing needs of the resident population, to produce a capital receipt and help stimulate the local economy and jobs market. Given current market conditions, which were expected to last for many years to come, the deal was likely to take the form of a 'Special Purpose Vehicle (SPV) Joint Venture', with a number of companies created to manage the building, selling and renting of the units.

The model being explored was for all the units to be built over a four year period, with 15% affordable units being provided in line with current policies. The developer would then sell as many of the units as possible and it was considered that an estimate of 50 units per year seemed reasonable. Income from these units would be used to help fund the rest of the scheme, whilst not flooding the market and depressing it further. The remaining units would be let and dripped back into the sales market over a period of years.

Currently this authority was ahead of the pack in its thinking as evidenced by the Montague report. However, many other authorities in more desirable areas were now likely to start looking at this type of proposal following the publication of the Montague report. It was therefore important if the Council were to progress the idea further to design a procurement and evaluation pack to secure the necessary partners and funding for the scheme. It was emphasised that no commitment would be made by the authority until after a preferred partner had been found and the Council made a decision about whether it still wanted to go ahead with the project.

The Panel then made the following comments, a summary of which is detailed below:

Councillor Chenery stated that the proposal was focussed on the King's Lynn area and asked whether consideration had been given to including villages. The Corporate Project explained that initially it was King's Lynn which had been looked at however pockets of land in villages could be looked at separately in the future

Councillor Cousins made the point that the value of land fluctuated as well as the market and asked whether a fixed percentage for the sale of houses had been agreed or would this be flexible. In response, the Corporate Project Officer explained that what had been shown in the model had been costed and would work, however until the bids came in, it was not known what the percentage would be.

Councillor McGuinness referred to the provision of affordable housing in one area rather it being than pepper potted across a scheme. The Corporate Project Officer explained that a scheme at Columbia Way for affordable housing had been considered, however the Housing Association involved did not take that scheme forward. This proposed scheme would provide the right amount of affordable housing. He added that some developments were currently coming forward with no provision for affordable housing. The main aim of the scheme was to build the properties within 4 years and this site would be relatively easy to secure funding for affordable housing and could be the first phase of development. In addition a plan was already in place.

The Corporate Project Officer also explained that it was proposed to build all the dwellings within four years. However it was not the expectation to sell more than 50 houses a year but the expectation would be to rent out the remaining unsold houses and the costs had been included within the scheme.

In response to a query regarding having to pay the Community Infrastructure Levy (CIL), the Corporate Project Officer explained that the Borough Council itself would not have to pay anything but it would be the Joint Venture Company who would have to pay CIL.

Councillor Mrs Watson asked how many units would be Housing with Care? The Corporate Project Officer explained that it was hoped that the proposals would create 75 Housing with Care units. In terms of the creation of jobs, he explained that the model could require an existing company to manage the units or use their own provider. The Council, as part of the Joint Venture, would not be able to stipulate which company to use.

Councillor Bubb raised the issue of building around Lynnsport and whether the road infrastructure and services could cope with extra development? The Corporate Project Officer explained that discussions had been held with Norfolk County Council regarding the road infrastructure.

Councillor Howland added that he would be very reluctant to sell land and asked whether consideration had been given to charging ground rent which would give the Council an on-going income. The Corporate Project Officer explained that it was very difficult to get something of this scale to work and added that there was no reason why it could not be discussed at a future dialogue session to see what impact it could have on the scheme.

Councillor Beales welcomed the debate that had taken place, and reiterated that at this stage £30,000 was being requested to move the scheme forward to the next stage. He added that Section 106 costs would be built into the model if required and the CIL the numbers would be known which would make the business model clearer. He hoped that the Panel would support the recommendation which would enable the project to be taken forward to the next stage.

RECOMMENDATION: That the Panel supported the recommendations to Cabinet as set out the report:

That Cabinet

- (1) Approves a budget of £30,000 to take the project through to the procurement stage.
- (2) Requires a further report which updates members on progress made and how the procurement is to be evaluated prior to it being advertised in the European Journal.