

Minutes

Cabinet

21st October 2020



These minutes principally record decisions taken and, where appropriate, the reasons for the decisions. A recording of the meeting is available at <http://www.braintree.gov.uk/youtube>

Present:

Portfolio	Cabinet Member	Present
Leader of the Council	Councillor G Butland	Yes
Deputy Leader of the Council and Economic Development and Infrastructure	Councillor T Cunningham	Yes
Communities Culture and Tourism	Councillor F Ricci	Yes
Corporate Transformation	Councillor J McKee	Yes
Environment and Place	Councillor Mrs W Schmitt	Yes
Finance and Performance Management	Councillor D Bebb	Yes
Health and Wellbeing	Councillor P Tattersley	Yes
Homes	Councillor K Bowers	Yes
Planning	Councillor Mrs G Spray	Yes

Also present as invitees of the Leader: Councillor D Mann, Leader of the Labour Group and Councillor Mrs J Pell, Leader of the Halstead Residents Group

32 **DECLARATIONS OF INTEREST**

INFORMATION: The following interests were declared:-

- Councillor G Butland declared a Non-Pecuniary Interest in Agenda Items 6a and 7a – Horizon 120 - Enterprise Centre as a Director of the South-East Local Enterprise Partnership (SELEP) and an elected Member of Essex County Council, which were both referred to in the Agenda report.
- Councillor Mrs W Schmitt declared a Non-Pecuniary Interest in Agenda Items 6a and 7a – Horizon 120 - Enterprise Centre as an elected Member of Essex County Council, which was referred to in the Agenda report.

33 **MINUTES**

DECISION: That the Minutes of the meetings of the Cabinet held on 31st July 2020 and 7th September 2020 be approved as a correct record and signed by the

Chairman as soon as possible.

34 **QUESTION TIME**

INFORMATION: There were no questions asked, or statements made.

35 **OFF-STREET PARKING PLACES ORDER – AMENDMENT**

INFORMATION: Members of the Cabinet were reminded that at their meeting on 7th September 2020 consideration had been given to a report on proposed changes to the Braintree District Council (Off-Street Parking Places) Order. The Order enabled the Council to charge for parking in a number of public car parks across the Braintree District and to enforce against non-payment, or non-compliance with terms and conditions of use. The Cabinet had approved the changes to enable public consultation on the proposed Order to take place. However, a typographical error had since been identified regarding the proposed tariffs relating to the car park at Hadfelda Square, Hatfield Peverel.

The original report had stated that Hatfield Peverel Parish Council proposed to increase the season ticket charge for use of the Hadfelda Square car park, Hatfield Peverel from £150 per annum to £160 per annum. However, the report should have stated that the Parish Council proposed to increase the season ticket charge for this car park from £500 per annum to £600 per annum.

Subject to the error being rectified, the proposed Order would be published for statutory public consultation. If any objections were submitted these would be considered and a decision made on whether to modify the Order, or to proceed with the Order as advertised. It was proposed that the Cabinet Member for Environment and Place should approve the final Order in accordance with delegated powers.

DECISION: That Cabinet:

- (1) Notes the typographical error relating to the increase in the tariff for Hadfelda Square car park, Hatfield Peverel.
- (2) Agrees to increase the tariff at Hadfelda Square car park, Hatfield Peverel from £500 to £600 per annum within the proposed Braintree District Council (Off-Street Parking Places) Order 2020.
- (3) Authorises the Cabinet Member for Environment and Place to agree the final Amendment Order in accordance with delegated powers.

REASON FOR DECISION: To correct an error in the previous report to and decision of Cabinet and to update the parking charges for Hadfelda Square car park, Hatfield Peverel included within the Off-Street Parking Places Order, as required by law.

Minutes Published: 4th November 2020
 Call-in Expires: 12th November 2020

INFORMATION: Members were reminded that this Item was linked to Item 7a in the Private Session of the Agenda, and that if any Member wished to refer to the private information contained within the report for that Item, it would be necessary for the meeting to be moved into Private Session.

DECISION: That, under Section 100(A)(4) of the Local Government Act 1972 the public and press be excluded from the meeting if it is necessary to discuss Item 7a of the Agenda and the private report, on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12(A) of the Act.

This Item was considered entirely in the Public Session of the meeting. There was no discussion in Private Session, nor disclosure of information contained in the private report. However, Minutes of both the public report and the private report have been produced and these are set out below.

INFORMATION: Consideration was given a report which summarised the business case for the development of an Enterprise Centre at the Horizon 120 Business and Innovation Park, Braintree (the Project). It was proposed that this should be part funded by a grant from the 'Getting Building Fund' administered by the South East Local Enterprise Partnership (SELEP). The Council had also approved the inclusion of the Project within the Council's capital programme. Members of the Cabinet were requested to approve the business case for the Project and to authorise Council Officers to consider and to accept or reject the conditions of the SELEP grant allocation; and to enter into construction contract(s) on the completion of the appropriate procurement process.

On 11th February 2019, the Cabinet had considered and approved the business case for the development of the Horizon 120 Business and Innovation Park including the provision of an Enterprise Centre. It was proposed that the Enterprise Centre should be located in the northern part of the site, which had been allocated for offices, a hotel and a 'Hub'. An updated outline business case for the Project was attached at Appendix B to the report.

Following a bidding process in July 2020, funding for the Project had been allocated to the Council on a provisional basis from the Government's 'Getting Building Fund'. The allocation had been made on the basis that the Project would support the recovery of the Braintree economy from the Covid-19 pandemic by supporting the development of new businesses and the growth of existing businesses; it was deliverable within the short timescale that the Fund required; the development site was owned by the Council; and planning permission had been secured following the adoption of a Local Development Order for the site. The final business case for the Project would be considered by the SELEP Accountability Board on 20th November 2020 and, if approved, the Council would be allocated a £7 million grant towards the capital costs of the new Enterprise Centre. A key condition of the grant, if approved, would require expenditure of the 'Getting Building Fund' finance before 31st March 2022. On 5th

October 2020, the Council had approved the inclusion of the Project within the Council's capital programme, subject to the approval of the business case by Cabinet and the SELEP Accountability Board. The capital budget for the Project included a 10% contingency.

It was reported that a Section 106 Agreement relating to residential development at Panfield Lane, Braintree required the developer to make a financial contribution of £2.93 million towards a new Enterprise Centre within a radius of Panfield Lane. As the timescale for the receipt of this contribution was uncertain, it was proposed that the Council should proceed with the development of the Project and that the Section 106 Agreement payment should be used retrospectively to repay part of the costs. Until then, the Council would be required to finance capital expenditure in full. It was proposed that the Council's contribution should be met by a mixture of capital reserves and prudential borrowing. The financial model assumed a forty year loan period at a rate of 2.9% using an annuity type loan, and it did not rely on, or assume that the Section 106 Agreement financial contribution would be received. An investment appraisal had calculated that the Project would generate surpluses from the third year of operation. This would result in a payback period of 18 years for the proposed amount to be borrowed and 37 years for the Council's full capital investment.

Other options for the provision of an Enterprise Centre had been considered, but these would not provide the facility for a number of years and its scale and impact would be significantly reduced. The risks associated with the development of the Project were set out in the report including how these would be mitigated.

If grant funding was approved by the SELEP Accountability Board, the Council would be required to enter into a Grant Agreement with Essex County Council. This Agreement would set out the terms and conditions of the grant and it would hold the Council to account in respect of project delivery and grant expenditure timescales.

DECISION:

- (1) That the business case for the Project be approved.
- (2) That it be noted that the proposed building, along with ancillary facilities, are to be sited on an area of land allocated within the Horizon 120 Business and Innovation Park which totals approximately two net developable acres.
- (3) That the Corporate Director (Growth), in consultation with the Corporate Director (Finance) and the Cabinet Member for Corporate Transformation, be authorised to consider and accept the conditions of the SELEP grant allocation and, if considered necessary, negotiate changes to the conditions. For the avoidance of doubt, this includes the authority to reject the conditions if they appear to be unacceptably onerous and to enter into the Grant Agreement with Essex County Council as the Accountable Body for the SELEP.
- (4) That the Corporate Director (Growth), in consultation with the Corporate Director (Finance), be authorised to award the construction contract at the completion of the procurement process and to enter into the necessary contracts with the winning bidder.

- (5) That it be noted that the proposed Braintree District Council funding for the Project is subject to the Corporate Director (Finance) having the flexibility to determine the most appropriate means of financing the Council's overall capital programme.
- (6) That the Corporate Director (Growth), in consultation with the Corporate Director (Finance) and the Cabinet Member for Corporate Transformation, be authorised to accept tenders for capital works, which would exceed the approved budget by up to 5%.

REASON FOR DECISION: To enable the Council to deliver the new Enterprise Centre and secure its resulting impact and outcomes for Braintree businesses and residents.

DECISION: That, under Section 100(A)(4) of the Local Government Act 1972 the public and press be excluded from the meeting to consider the private report under Agenda Item 7a and for the private report to remain private on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12(A) of the Act.

37 ****HORIZON 120 ENTERPRISE CENTRE – PRIVATE**

Minutes Published: 4th November 2020 Call-in Expires: 12th November 2020

INFORMATION: This Item was considered entirely in the Public Session of the meeting. There was no discussion in Private Session, nor disclosure of information contained in the private report. This Minute does not disclose any private information contained in the private report and it is admissible in public.

INFORMATION: Consideration was given a report which summarised the business case for the development of an Enterprise Centre at the Horizon 120 Business and Innovation Park, Braintree (the Project). It was proposed that this should be part funded by a grant from the 'Getting Building Fund' administered by the South East Local Enterprise Partnership (SELEP). The Council had also approved the inclusion of the Project within the Council's capital programme. Members of the Cabinet were requested to approve the business case for the Project and to authorise Council Officers to consider and to accept or reject the conditions of the SELEP grant allocation; and to enter into construction contract(s) on the completion of the appropriate procurement process.

On 11th February 2019, the Cabinet had considered and approved the business case for the development of the Horizon 120 Business and Innovation Park including the provision of an Enterprise Centre. It was proposed that the Enterprise Centre should be located in the northern part of the site, which had been allocated for offices, a hotel and a 'Hub'. An updated outline business case for the Project was attached at Appendix B to the report.

Following a bidding process in July 2020, funding for the Project had been allocated to the Council on a provisional basis from the Government's 'Getting Building Fund'. The allocation had been made on the basis that the Project would support the recovery of the Braintree economy from the Covid-19 pandemic by supporting the development of

new businesses and the growth of existing businesses; it was deliverable within the short timescale that the Fund required; the development site was owned by the Council; and planning permission had been secured following the adoption of a Local Development Order for the site. The final business case for the Project would be considered by the SELEP Accountability Board on 20th November 2020 and, if approved, the Council would be allocated a £7 million grant towards the capital costs of the new Enterprise Centre. A key condition of the grant, if approved, would require expenditure of the 'Getting Building Fund' finance before 31st March 2022. On 5th October 2020, the Council had approved the inclusion of the Project within the Council's capital programme, subject to the approval of the business case by Cabinet and the SELEP Accountability Board. The capital budget for the Project included a 10% contingency.

It was reported that a Section 106 Agreement relating to residential development at Panfield Lane, Braintree required the developer to make a financial contribution of £2.93 million towards a new Enterprise Centre within a radius of Panfield Lane. As the timescale for the receipt of this contribution was uncertain, it was proposed that the Council should proceed with the development of the Project and that the Section 106 Agreement payment should be used retrospectively to repay part of the costs. Until then, the Council would be required to finance capital expenditure in full. It was proposed that the Council's contribution should be met by a mixture of capital reserves and prudential borrowing. The financial model assumed a forty year loan period at a rate of 2.9% using an annuity type loan, and it did not rely on, or assume that the Section 106 Agreement financial contribution would be received. An investment appraisal had calculated that the Project would generate surpluses from the third year of operation. This would result in a payback period of 18 years for the proposed amount to be borrowed and 37 years for the Council's full capital investment.

Other options for the provision of an Enterprise Centre had been considered, but these would not provide the facility for a number of years and its scale and impact would be significantly reduced. The risks associated with the development of the Project were set out in the report including how these would be mitigated.

If grant funding was approved by the SELEP Accountability Board, the Council would be required to enter into a Grant Agreement with Essex County Council. This Agreement would set out the terms and conditions of the grant and it would hold the Council to account in respect of project delivery and grant expenditure timescales.

DECISION:

- (1) That the business case for the Project be approved.
- (2) That it be noted that the proposed building, along with ancillary facilities, are to be sited on an area of land allocated within the Horizon 120 Business and Innovation Park which totals approximately two net developable acres.
- (3) That the Corporate Director (Growth), in consultation with the Corporate Director (Finance) and the Cabinet Member for Corporate Transformation, be authorised to consider and accept the conditions of the SELEP grant allocation and, if considered necessary, negotiate changes to the conditions. For the avoidance of doubt, this includes the authority to reject the conditions if they

appear to be unacceptably onerous and to enter into the Grant Agreement with Essex County Council as the Accountable Body for the SELEP.

- (4) That the Corporate Director (Growth), in consultation with the Corporate Director (Finance), be authorised to award the construction contract at the completion of the procurement process and to enter into the necessary contracts with the winning bidder.
- (5) That it be noted that the proposed Braintree District Council funding for the Project is subject to the Corporate Director (Finance) having the flexibility to determine the most appropriate means of financing the Council's overall capital programme.
- (6) That the Corporate Director (Growth), in consultation with the Corporate Director (Finance) and the Cabinet Member for Corporate Transformation, be authorised to accept tenders for capital works, which would exceed the approved budget by up to 5%.

REASON FOR DECISION: To enable the Council to deliver the new Enterprise Centre and secure its resulting impact and outcomes for Braintree businesses and residents.

The meeting commenced at 6.00pm and closed at 6.43pm.

COUNCILLOR G BUTLAND
(Leader of the Council)