

Coventry City Council
Minutes of the Meeting of Cabinet Member for Jobs and Regeneration held at 2.00
pm on Wednesday, 23 November 2016

Present

Cabinet Member: Councillor J O'Boyle

Other Members: Councillor D Welsh (Deputy Cabinet Member)
Councillor G Crookes (Shadow Cabinet Member)

Employees (by Directorate):

Place: D Cockcroft, R Young

Resources: O Aremu, S Bennett

Public Business

28. Declaration of Interests

There were no declarations of interest.

29. Minutes

The Minutes of the meeting held on 5 October, 2016 were signed as a true record. There were no matters arising.

30. Exclusion of the Press and Public

RESOLVED that approval be given to exclude the press and public under Section 100(A) (4) of the Local Government Act 1972 for consideration of the private matter contained in Minute 35 below relating to 2-12 and 14-18 Corporation Street – Lease Surrender and Regrant on the grounds that that item involves the likely disclosure of exempt information, as defined in Paragraph 2 and 3 of Schedule 12A of that Act, as it contains information relating to the identity financial or business affairs of an organisation and the amount of expenditure proposed to be incurred by the Council under a particular contract for the supply of goods or services.

31. Delivering the Jobs and Growth Strategy - Half Year Progress (April 2016-September 2016)

The Cabinet Member considered a report of the Executive Director of Place which summarised progress made in the six months April to September, 2016 to deliver the Jobs and Growth Strategy for Coventry. The 3 year Strategy was endorsed by the Council in May 2014 and it articulates how the Council will use its resources to make to Coventry a City that supports businesses to grow and ensure that residents' share in the benefits of a sustainable growing economy.

In the first six months of the year, the Economy and Jobs service, part of the City Centre and Development Services, has directly contributed to creating 915 new job opportunities within Coventry against a target of 1,219 set for the year. £18 million pounds of business investment has also been secured for the benefit of the City. Council services have already supported 193 businesses to grow and develop.

In the past 6 months just under 4000 people have accessed employment support. 672 people who have engaged with the services provided have progressed into work, which is a significant achievement. The majority of these individuals are engaging through the Council's city centre Job Shop located in Bull Yard.

The Council is committed to supporting young people into employment, particularly those who fall into the NEETs category (young people not in education, employment or training). In May 2016 the Council began implementing the £8.5million European Social Fund funded youth programme for Coventry called Ambition, further details of which were outlined in the report.

The Cabinet Member, Deputy Cabinet Member and Shadow Cabinet Member welcomed the progress detailed and, in particular, noted that the 2016-17 target for achieving 150 NEETs into work, education or training had already been reached with 180 NEETs securing work, education or training between April to September 2016.

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- (1) Notes and endorses the progress made by the Jobs and Growth Strategy for Coventry between April-September 2016**
- (2) Agrees that future performance reports be brought to Cabinet on an annual basis only**
- (3) Agrees that the 2016-17 target for NEETs into work, education or training be increased from 150 to 325**

32. 2-12 and 14-18 Corporation Street - Lease Surrender and Regrant

The Cabinet Member considered a report of the Executive Director of Place which indicated that EDG Property (EDG) proposed to invest significant financial resources into the refurbishment and development of the currently vacant former Co-op department store and the adjacent 2-12 Corporation Street known as the Hawkins Building. The Co-op store has remained vacant for the last 12 months since the retailer closed, with no real prospect of securing a replacement department store operator.

The proposed scheme, subject to planning, would provide a sympathetic regeneration of the architecturally important building, retaining its iconic features and producing new ground floor retail, restaurant and leisure units and approximately sixty seven residential apartments on the upper floors of the former department store with residential and or offices proposed for the upper floors of the Hawkins building.

There is currently no proven market for this type of development in the City Centre, so there is considerable uncertainty around the strength of demand for private, high quality residential accommodation in the City Centre. This coupled with the costs/risk of redeveloping existing buildings means that the development is not considered to producing a return commensurate with the commercial risk being taken. As such the Council is being asked to forgo its existing rental income for the next 41 years and any income for the next 250 years. In return it secures the development outlined.

To facilitate this proposal, the Council is being asked to widen the existing user clause to enable residential accommodation to be incorporated in the building and extend the term of the current head leases from 41 to 250 years which allows the developer to access the private development funding necessary.

To protect the Council's position and delivery of the development, a statement of principles setting out the quality levels of the development have been agreed and the new lease would not be granted to the developer until they had secured planning permission for the scheme and let a building contract to undertake the work. In a form acceptable to the Council.

A corresponding private report detailing confidential financial matters was also submitted for consideration (Minute 35 below refers)

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- (1) Approves the surrender of the current lease and granting of a new 250 year lease at a value of £1**
- (2) Delegates authority to the Executive Director of Resources to complete the necessary legal documentation**
- (3) Delegates authority to the Executive Director of Place, following consultation with the Cabinet Member for Jobs and Regeneration, for any subsequent variation in terms**

33. Outstanding Issues

There were no outstanding issues.

34. Any Other Items of Urgent Public Business

There were no other items of urgent public business.

35. 2-12 and 14-18 Corporation Street - Lease Surrender and Regrant

Further to Minute 32 above, the Cabinet Member for Jobs and Regeneration considered a report of the Executive Director of Place which detailed confidential financial matters in relation to the lease surrender and regrant of 2-12 and 14-18 Corporation Street.

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- (1) Approves the surrender of the current lease and granting of a new 250 year lease at a value of £1**
- (2) Delegates authority to the Executive Director of Resources to complete the necessary legal documentation**
- (3) Delegates authority to the Executive Director of Place, following consultation with the Cabinet Member for Jobs and Regeneration, for any subsequent variation in terms**

36. Any Other Items of Urgent Private Business

There were no other items of urgent private business.

(Meeting closed at 2.30pm)