

**Coventry City Council**  
**Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 9 January 2018**

Present:

Members: Councillor G Duggins (Chair)  
Councillor F Abbott  
Councillor L Bigham  
Councillor K Caan  
Councillor J Innes  
Councillor A Khan (Deputy Chair)  
Councillor K Maton  
Councillor J Mutton  
Councillor J O'Boyle  
Councillor E Ruane

Deputy Cabinet Members Councillor P Akhtar  
Councillor B Kaur  
Councillor R Lakha

Non-Voting Opposition Councillor A Andrews  
Members: Councillor G Ridley

Other Members: Councillor R Brown  
Councillor D Gannon  
Councillor McNicholas  
Councillor M Mutton  
Councillor G Williams

Employees (by Directorate):

Chief Executive M Reeves (Chief Executive)

People G Quinton (Deputy Chief Executive (People)), L Gaulton,  
N Hart, B Hastie, P Jennings, S Lam, K Nelson, M Salmon,  
R Sugars, C Whiteley

Place M Yardley (Deputy Chief Executive (Place)), O Aremu,  
D Cockcroft, D Nuttall, S Wiles

Apologies: Councillor R Ali, J Clifford and C Thomas

## Public Business

### 95. Exclusion of Press And Public

**RESOLVED** that the Cabinet agrees to exclude the press and public under Sections 100(A)(4) of the Local Government Act 1972 relating to the following private reports on the grounds that the reports involve the likely disclosure of information defined in Paragraph 3 of Schedule 12A of the Act, as they contain information relating to the financial affairs of a particular person (including the authority holding that information) and in all circumstances of the cases, the public interest in maintaining the exemption outweighs the public interest in disclosing the information:

<b>Minute No.</b>	<b>Report title</b>
<b>107</b>	<b>Re-provision of Coventry's Indoor Bowls Facility</b>
<b>108</b>	<b>Friargate Joint Venture</b>

### 96. Declarations of Interest

There were no disclosable pecuniary interests.

### 97. Minutes

The minutes of the meeting held on 28<sup>th</sup> November 2017 were agreed and signed as a true record. There were no matters arising.

### 98. Council Plan 2017/2018 Half-Year Performance Report

The Cabinet considered a report of the Chief Executive that set out the Council's progress against the Council Plan for the first half of 2017/2018.

The report had also been considered by the Scrutiny Co-ordination Committee at their meeting on 20<sup>th</sup> December 2017 (their minute 48/17 referred) and they made no recommendations for the Cabinet to consider.

The Council Plan was Coventry City Council's corporate plan. It set out the Council's strategic direction and priorities for the city: the Council sought to promote the growth of a sustainable economy; was committed to reform so that everybody, including the most vulnerable residents, could share in the benefits of the city's growth; underpinned by a Council that enabled communities to solve local problems, at a time when the Council had to deliver its priorities with fewer resources.

This 2017/2018 half-year performance report set out the progress made towards the Council Plan from April to September 2017 and used indicators, contextual information, and comparative information to describe and explain how performance of the city and the Council compared to previous years, and to other places.

**RESOLVED that the Cabinet approves the Council Plan 2017/2018 Half-Year Performance Report.**

**99. The 2018/2019 Council Tax Base Report**

The Cabinet considered a report of the Deputy Chief Executive (Place) that set out the proposed Council Tax Base for 2018/2019.

The Council tax base was the measure of the taxable capacity of an area, for the purpose of calculating an authority's Council Tax. It represented the estimated number of Band D equivalent chargeable dwellings for the year. It also took into account the authority's estimated Council Tax collection rate.

The report made the necessary calculations in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 to establish the Council Tax base for the City Council and its parishes. These regulations applied to financial years beginning 1 April 2013 onwards, and included the impact of the change, from awarding Council Tax benefit to the introduction of a Council Tax Support Scheme (also known as the Council Tax Reduction Scheme).

The Council Tax base for the City Council would be used by major preceptors when setting their precepts. Following the election of the Mayor of the West Midlands on the 4 May 2017, and in accordance with the relevant legislation (The Combined Authorities (Finance) Order 2017), 2018/2019 was the first year that the costs of the Mayor could be met from a precept issued by the West Midlands Combined Authority.

Under the Reduction Scheme, the Council Tax base was reduced according to the amount of reductions awarded under the scheme, as the authority would be foregoing the relevant Council Tax income, and instead would receive partial compensation via an adjustment within the Local Government Finance Settlement calculations. These reductions were reflected in the calculation of the Council Tax base, in order to calculate the correct amount of Band D Council Tax for the billing authority (Coventry City Council), the major preceptors (West Midlands Police and Crime Commissioner, the West Midlands Fire and Rescue Authority and the West Midlands Combined Authority), and the local precepting authorities (Allesley Parish Council, Finham Parish Council and Keresley Parish Council).

It was estimated that the effect on the tax base of the Support Scheme would be to reduce it by 15.0%. The financial impact of the reduction in tax base would be partially offset by an element of the overall funding settlement from Government.

The tax bases for the parishes of Allesley, Finham and Keresley would also be reduced by 15.0% as a result of the Council Tax Support Scheme. It was proposed that the Council transferred an element of the compensation described above to offset the impact of the reduced tax base on tax income for the parish councils. Recommendation 3 of the report proposed that Allesley, Finham and Keresley received payments of £1,311, £3,336 and £243 respectively to offset the effect of the tax base reduction. These payments had been calculated to offset 90% of the effect of the tax base reduction, in keeping with the compensation percentage adopted when the scheme was first introduced. The details of the calculations were provided in Appendix E to the report.

The report did not set the actual level of Council Tax in Coventry; that would be set by Council on the 20th February 2018. The determination of the tax base was one part of the process and must occur before 31st January each year.

The technical nature of this report reflected the fact that the tax base calculation was prescribed by statute. The tax base measured all properties in an area, relative to a Band D property even though this was not representative of the typical domestic property in Coventry. In fact 87% of properties in Coventry fell into Bands A to C, which attracted lower bills than Band D properties.

**RESOLVED that the Cabinet approves:**

- 1) That the Council Tax collection rate for 2018/2019 be set at 98.3%
- 2) That, in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012, the amounts calculated by the City Council for 2018/2019 shall be:

a net tax base of 80,815.4 for the whole of the City Council area made up as follows:

Allesley Parish	333.0
Finham Parish	1520.9
Keresley Parish	231.4
All Other Coventry City Council Wards	78,730.1
<b>TOTAL</b>	<b>80,815.4</b>

- 3) That the following grant payments should be made to parish councils to reflect the impact in 2018/2019 of Council Tax reductions on their tax bases.

Allesley Parish	£1,311
Finham Parish	£3,336
Keresley Parish	£243
<b>TOTAL</b>	<b>£4,890</b>

100. **Outcomes of Fair Funding Consultation 2018-2019**

The Cabinet considered a report of the Deputy Chief Executive (People) that detailed the results of the consultation on proposed changes to the Fair Funding Scheme of Delegation ("the Scheme") and sought approval for recommended changes to the Scheme and the Fair Funding Formula.

Under Section 48 of the School Standards and Framework Act 1998, Local Authorities (LAs) were required to have schemes of delegation which set out the financial controls and arrangements that would operate between schools and the

LA. Any proposed revisions to these schemes and/or the Fair Funding Formula must be the subject of consultation and required approval by the Schools Forum.

The Department for Education (DFE) published the "Schools Revenue Funding 2018 to 2019: Operational Guide" that set out the school revenue funding arrangements for 2018/2019. They had not introduced any significant directed changes to the operation of the local school funding formula for 2018/2019; however the introduction of a National Funding Formula to allocate funding to LAs had introduced some additional flexibilities, as well as setting a level of expectation amongst schools.

The consultation document was circulated to Head Teachers including Academy Head Teachers/Principals, Chairs of Governing Bodies, Trades Unions, Diocesan authorities, the Coventry Governors Association, members of the Schools Forum, Early Years Free Entitlement providers in the private, voluntary and Independent (PVI) sectors on 3rd November 2017. The 4 week consultation period ended on 1st December 2017.

Stakeholder groups were briefed throughout the consultation period, including Primary and Secondary Head Teachers and the School Forum (which includes Trade Union representatives). The consultation document also sought to act as an information document to school stakeholders regarding anticipated local budget pressures.

The DFE held a consultation on the National Funding Formula (NFF) in early 2017; under this approach all but 4 Coventry Schools would have received less funding. The majority of schools would have seen up to a 1.5% per pupil funding reduction in 2018/2019 rising to a 2.9% reduction by 2019/2020. These reductions would have been higher if national funding protection arrangements had not been put in place, as the majority of Coventry schools were on the funding floor.

The published outcomes of the consultation introduced some minor changes to the operation of the NFF, but most significantly, included an increased level of protection which meant that all schools would see a 0.5% increase in per pupil funding in 2018/2019 rising to a 1% increase by 2019/2020. This was a more positive position as it would result in an additional £2.3M of resource through the Dedicated Schools Grant (DSG) for Coventry's schools block over the next two years; but it remained the case that the pure NFF (without protection) delivered significantly less resource for Coventry schools. It was not clear what protection arrangements would be in place after 2019/2020. The estimated value of protection in 2019/2020 for Coventry schools was estimated to be £12M.

The DFE had implemented a 'soft' National Funding Formula for the 2018/2019 and 2019/2020 financial years. This meant that the DFE would run the NFF for each school and the sum total of Coventry schools' allocations would become the total budget available for schools in Coventry. The LA was still required to go through the usual budget setting process and run the local schools funding formula to distribute the resource. The national announcements surrounding the 0.5% increase, and the publication of individual school allocations, had set a level of expectation that all schools would see a 0.5% per pupil increase in their funding.

**RESOLVED that the Cabinet:**

- 1) **Approves the recommended changes to the Fair Funding Formula and Fair Funding Scheme of Delegation, which are summarised in Section 2 of the report.**
- 2) **Delegates authority to the Director Education, Libraries and Adult Learning, following consultation with the Cabinet Member for Education and Skills and the Schools Forum, to make necessary amendments to the final detail of the recommended changes, in order to comply with the School Finance (England) Regulations 2017, and implement any other necessary changes.**

**101. West Midlands Combined Authority Borrowing Powers and Amendments to Key Route Network**

The Cabinet considered a report of the Chief Executive that set out proposals to ensure West Midlands Combined Authority (WMCA) was able to enter into the necessary agreements with Government to amend existing statute, enabling WMCA to borrow for all of the functions attributable to it and also endorse the proposed changes to the Key Route Network.

Following the establishment of the WMCA in June 2016, the Council agreed a Scheme for the transfer by government of powers to the Combined Authority. This scheme then underwent a period of public consultation and was ultimately submitted to government. Whilst the Combined Authority were given most of the powers sought it was not possible to agree with HM Treasury the relevant borrowing powers at that time. It currently had powers across a broad range of areas but only had the legal ability to borrow in relation to transport related expenditure.

The Cities and Devolution Act 2016 amended previous legislation so that in addition to borrowing for transport functions, a Combined Authority may borrow in relation to “any other functions of the authority that are specified for the purpose of [section 23(5)] in regulations made by the Secretary of State”. Such functions included Mayoral and non-Mayoral functions. Such regulations may only provide borrowing powers for a particular function of the Mayoral WMCA if all the Constituent Councils consent. In light of this, WMCA have been in dialogue with HM Treasury and Department for Communities and Local Government with a view to commencing the process to obtain the necessary powers and consents WMCA needed to undertake all of its functions.

Approval from the constituent authorities and WMCA was being sought by the end of January 2018 with a view to legislation being laid to enable the order to be made.

**RESOLVED that the Cabinet:**

- 1) **Confirms the transfer of borrowing powers to the Combined Authority and provides delegated authority to the Chief Executive, following consultation with the Director of Finance and Corporate Services and Monitoring Officer, to approve the amendment to statutory regulations**

**authorising the WMCA borrowing powers as set out in this report, subject to:**

- a) **The additional borrowing powers sought being fully aligned to the WMCA's statutory functions as detailed within the West Midlands Combined Authority Orders.**
  - b) **Approval of the WMCA borrowing cap suggested by HM Treasury as outlined within this report.**
- 2) Gives delegated authority to the Chief Executive, following consultation with the Leader of the Council, to approve the amendment to the Key Route Network as detailed within this report.**

## **102. Re-provision of Coventry's Indoor Bowls Facility**

The Cabinet considered a report of the Deputy Chief Executive (Place), that would also be considered by the Council at its meeting on 16<sup>th</sup> January 2018, on proposals for the re-provision of Coventry's Indoor Bowls Facility at The Avenue Bowls Club, Gaveston Road, Coventry.

A corresponding private report detailing confidential aspects of the proposals was also submitted to the meeting for consideration.

In September 2014, Coventry City Council unanimously approved investment in a new city centre destination sport and leisure facility and approved a ten-year partnership Sports Strategy for the City, underpinned by a new Indoor Facilities Strategy, Playing Pitch Strategy and Aquatic Strategy. Coventry's Indoor Facilities Strategy highlighted the need for the Council to work with key bowls clubs and the National Governing Body to explore the feasibility of future sustainable provision for indoor bowls in the City.

Within the initial 'Sports Investment Model', £1m was earmarked for investment in bowls re-provision. Following detailed feasibility work and further discussions, the proposed level of investment increased to £2.05m as this level of investment would enable re-provision of the existing six rink indoor bowls facilities from Coventry Sports and Leisure Centre, along with enhanced changing facilities, toilets and office accommodation at the club site, designed to encourage and support growth in participation. This work was part of a strategic, City-wide development approach to key sports and public leisure facilities.

The proposal for the development of an Indoor bowls facility at The Avenue Bowls Club, Gaveston Road, Coventry, subject to planning permission, was supported by the existing and proven, strong and sustainable Club governance, with a sustainable business plan that would deliver an on-going annual rental income back to the Council. The facility mix for the facility was for: six rink Indoor Bowls Facility; male and female changing; office accommodation; first aid room; changing places toilet; and connecting foyer. The site development plan for the proposed Bowls Club was outlined in Appendix 1 to the report.

Locating the Indoor Bowls Facility at The Avenue Bowls Club would consolidate an indoor and outdoor bowls offer on one site, as well as offering 12-month access to indoor bowls provision, which would benefit those who preferred to bowl indoor rather than outdoor during the summer season and further contributed to the sustainability of the business plan.

The proposed development would significantly enable the development and enhancement of facilities designed to support and encourage growth in a range of forms of participation in bowls across the city (e.g. Junior Leagues / Regional and National Competitions/ Casual Bowling / Health Programmes) within a strategic, city-wide development approach to key sports and public leisure facilities

**RESOLVED that the Cabinet:**

- 1) Notes the intention of officers to submit a planning application for the development of a new six rink indoor bowls facility at The Avenue Bowls Club, Gaveston Road, Coventry.**
- 2) Recommends to the Council that it approves, in principle, the addition of £2.05m to the capital programme for 2018/2019 onwards, £0.12m of the £2.05m relating to management and design development costs as indicated in paragraph 5.1.10.2 of the report, for the development of a new indoor bowls facility at The Avenue Bowls Club, Gaveston Road, Coventry.**
- 3) Delegates authority to the Deputy Chief Executive (Place) and the Director of Finance and Corporate Services (Section 151 Officer), following consultation with the Cabinet Member for Public Health and Sport and the Legal Services Manager, to undertake all necessary due diligence and to finalise the commercial terms with The Avenue Bowls Club for the grant of a building lease of the land to Coventry City Council for a term of up to 150 years to facilitate the construction of the building, which following construction would be under-leased to The Avenue Bowls Club, (or to a new company) to operate the new indoor bowls facility, subject to the agreed amount paid for the under lease, meeting the Council's obligation to achieve best value consideration pursuant to s123 of Local Government Act 1972.**
- 4) Authorises the Deputy Chief Executive (Place), following consultation with the Cabinet Member for Public Health and Sport, to explore and negotiate any further benefit that could be derived from a more formalised commercial relationship with The Avenue Bowls Club.**
- 5) Approves that the Council procure the design team and associated consultants as well as the contractor for the construction of the new facility.**
- 6) Delegates authority to the Deputy Chief Executive (Place), following consultation with the Cabinet Member for Public Health and Sport, to agree the award of the contract following the completion of the tender process contained in Recommendation 5 above.**



### 103. **Friargate Joint Venture**

The Cabinet considered a report of the Deputy Chief Executive (Place), that would also be considered by the Council at its meeting on 16<sup>th</sup> January 2018, on proposals for the City Council to enter into a joint venture partnership with Friargate LLP.

A corresponding private report detailing confidential aspects of the proposals was also submitted to the meeting for consideration.

The Friargate masterplan was conceived by CannonCannon Kirk, the founders of Friargate LLP, who assembled the majority of the land required to regenerate the area around Coventry Railway Station. In 2013, the Council approved starting the Friargate Business District to regenerate the City, transform the Council and deliver savings, through the purchase of the first building on Friargate for occupation by the City Council (Cabinet minute 13/13 and Council minute 30/13 referred).

As part of the West Midlands Combined Authority investment programme, £150m was identified to fund regeneration in Coventry. In January 2017 £98.8m was approved for City Centre South and it was proposed circa £51.2m was allocated to Friargate to build Number two Friargate. (Cabinet minute 104/17 and Council minute 102/17 referred).

Approval was sought to enter into a 50/50 joint venture partnership with Friargate LLP across the whole Friargate development to bring forward the speculative second building as quickly as possible. Approval was also sought, subject to approval of the Full Business Case, to accept the grant for £51.2m from the West Midlands Combined Authority (WMCA) and use it to provide a loan to the joint venture company to construct number Two Friargate.

#### **RESOLVED that the Cabinet:**

- 1) Approves (following the approval and the acceptance of the grant funding from the West Midland Combined Authority) the creation of a joint venture limited liability company (LLP) between the City Council and Friargate LLP to accelerate a programme of building at Friargate,**
- 2) Delegates authority to the Deputy Chief Executive (Place) and Director of Finance and Corporate Services, following consultation with the Cabinet Member for Jobs and Regeneration and Cabinet Member for Strategic Finance and Resources, to agree the final terms of the necessary agreements, provided that all the necessary due diligence in order to finalise and complete the process of entering into the joint venture contract with Friargate LLP have been carried out successfully.**
- 3) Notes that the LLP arrangement requires the establishment of an LLP Members Shareholders Panel with equal City Council and Friargate LLP representation, supported by a Board of Directors for officers.**

- 4) **Recommends that the Council:**
- i) **Approves that the City Council accept a grant funding of £51.2 million from the West Midlands Combined Authority and delegates to the Deputy Chief Executive (Place) and the Director of Finance and Corporate Services, in consultation with the Cabinet Member for Jobs and Regeneration and the Cabinet Member for Strategic Finance and Resources, the authority to enter into the necessary grant funding agreement to secure the grant.**
  - ii) **Approves (following completion of Recommendation 1 above) the capital investment, in the sum as highlighted in the private version of this report, funded from corporate capital resources, to purchase a 50% equity stake in all of the land within the Friargate Masterplan and to delegate authority to the Deputy Chief Executive (Place) and the Director of Finance and Corporate Services, following consultation with the Cabinet Member for Jobs and Regeneration and the Cabinet Member for Strategic Finance and Resources, to enter into the Shareholder agreement, on the basis that the Council will see a commercial return on this investment over the medium term.**
  - iii) **Approves a loan, in the sum as highlighted in the private version of this report to Friargate LLP on commercial market terms to enable them to complete the necessary actions required to effect the release of charges over the land within the Friargate Masterplan.**
  - iv) **Approves the creation of a budget for £0.5 million per annum for the first three years (total commitment of £1.5 million), funded from capital receipts, to match Friargate's contribution to fund the LLP, promote the scheme to investors and secure development.**
  - v) **Approves that £51.2 million is added to the Council's capital programme, all funded from the West Midlands Combined Authority grant.**
  - vi) **Approves the Council representation on these Boards be agreed by the Deputy Chief Executive (Place) and the Director of Finance and Corporate Services, following consultation with the Cabinet Member for Jobs and Regeneration and the Cabinet Member for Strategic Finance and Resources, once the format of these Boards is established as part of the final terms of the agreement; and that the Council representation on the LLP Members Shareholders Panel will be from members of the Cabinet.**

104. **Conference Approval - Civic Visit to Moscow and Volgograd, Russia 2018**

**RESOLVED that the Cabinet approves the attendance of the Lord Mayor, Councillor T Skipper, the Deputy Leader of the Council, Councillor A Khan, and the Principal Private Secretary to the Lord Mayoralty, J Barlow, at Commemorative Events to mark the 75th Anniversary of the Battle of**

**Stalingrad to be held in Volgograd and Moscow, Russia from 29th January to 3rd February 2017.**

**105. Outstanding Issues**

The Cabinet considered a report of the Deputy Chief Executive (Place) that contained a list of outstanding issue items that would be submitted to future meetings of the Cabinet and summarised the current position in respect of each item.

**RESOLVED that the Cabinet approves the dates for future consideration of matters relating to the outstanding issue items listed in the report and agreed to the following item being discharged from the list for the reason indicated:**

**2. Friargate Update Report**

**Further report on Council buildings to be retained, investment to maintain them in use for operational purposes, and any other mitigation measures (Cabinet 24 January 2017 - Minute 105/16).**

**The January Cabinet report was superseded by reports submitted to Cabinet in August (Minutes 28/17 and 32/17 refer) that dealt with the consequences of retaining floors 3-5 Broadgate House as operational office space as a result of the letting of floors 2-3 One Friargate to the Financial Ombudsman. Council Officers had moved staff into Broadgate House and were working on a programme of works to address working conditions in the building to extend its operational life by 5 years.**

**106. Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of public business.

**107. Re-provision of Coventry's Indoor Bowls Facility**

Further to Minute 102 above, the Cabinet considered a private report of the Deputy Chief Executive (Place), that would also be considered by the Council at its meeting on 16th January 2018, that set out the confidential aspects of proposals for the re-provision of Coventry's Indoor Bowls Facility at The Avenue Bowls Club, Gaveston Road, Coventry.

**RESOLVED that the Cabinet:**

- 1) Notes the intention of officers to submit a planning application for the development of a new six rink indoor bowls facility at The Avenue Bowls Club, Gaveston Road, Coventry.**
- 2) Recommends to the Council that it approves, in principle, the addition of £2.05m to the capital programme for 2018/2019 onwards, £0.12m of the £2.05m relating to management and design development costs as**

indicated in paragraph 5.1.10.2 of the report, for the development of a new indoor bowls facility at The Avenue Bowls Club, Gaveston Road, Coventry.

- 3) **Delegates authority to the Deputy Chief Executive (Place) and the Director of Finance and Corporate Services (Section 151 Officer), following consultation with the Cabinet Member for Public Health and Sport and the Legal Services Manager, to undertake all necessary due diligence and to finalise the commercial terms with The Avenue Bowls Club for the grant of a building lease of the land to CCC for a term of up to 150 years to facilitate the construction of the building, which following construction would be under-leased to The Avenue Bowls Club, (or to a new company) to operate the new indoor bowls facility, subject to the agreed amount paid for the under lease, meeting the Council's obligation to achieve best value consideration pursuant to s123 of Local Government Act 1972.**
- 4) **Authorises the Deputy Chief Executive (Place), in consultation with the Cabinet Member for Public Health and Sport, to explore and negotiate any further benefit that could be derived from a more formalised commercial relationship with The Avenue Bowls Club.**
- 5) **Approves that the Council procure the design team and associated consultants as well as the contractor for the construction of the new facility.**
- 6) **Delegates authority to the Deputy Chief Executive (Place), following consultation with the Cabinet Member for Public Health and Sport, to agree the award of the contract following the completion of the tender process contained in Recommendation 5 above.**

#### 108. **Friargate Joint Venture**

Further to Minute 103 above, the Cabinet considered a private report of the Deputy Chief Executive (Place), that would also be considered by the Council at its meeting on 16th January 2018, that set out the confidential aspects of proposals for the City Council to enter into a joint venture partnership with Friargate LLP.

**RESOLVED that the Cabinet:**

- 1) **Approves (following the approval and the acceptance of the grant funding from the West Midland Combined Authority) the creation of a joint venture limited liability company (LLP) between the City Council and Friargate LLP to accelerate a programme of building at Friargate,**
- 2) **Delegates authority to the Deputy Chief Executive (Place) and the Director of Finance and Corporate Services, following consultation with the Cabinet Member for Jobs and Regeneration and the Cabinet Member for Strategic Finance and Resources, to agree the final terms of the necessary agreements, provided that all the necessary due diligence in order to finalise and complete the process of entering into**

the joint venture contract with Friargate LLP have been carried out successfully.

- 3) Notes that the LLP arrangement requires the establishment of an LLP Members Shareholders Panel with equal City Council and Friargate LLP representation, supported by a Board of Directors for officers.
- 4) Recommends that the Council:
  - i) Approves that the City Council accept a grant funding of £51.2 million from the West Midlands Combined Authority and delegates to the Deputy Chief Executive (Place) and Director of Finance and Corporate Services, in consultation with the Cabinet Member for Jobs and Regeneration and the Cabinet Member for Strategic Finance and Resources, the authority to enter into the necessary grant funding agreement to secure the grant.
  - ii) Approves (following completion of recommendation 1 above) the sum now indicated, funded from corporate capital resources, to purchase a 50% equity stake in all of the land within the Friargate Masterplan and to delegate authority to the Deputy Chief Executive (Place) and the Director of Finance and Corporate Services, following consultation with the Cabinet Member for Jobs and Regeneration and the Cabinet Member for Strategic Finance and Resources, to enter into the Shareholder agreement, on the basis that the Council will see a commercial return on this investment over the medium term.
  - iii) Subject to recommendation 2, approve the sum now indicated is added to the Council's capital programme, funded from corporate capital resources.
  - iv) Approves a loan in the sum now indicated, to Friargate LLP on commercial market terms to enable them to complete the necessary actions required with the National Asset Management Agency (NAMA) to effect the release its charge over the land within the Friargate Masterplan.
  - v) Approves the creation of a budget for £0.5m per annum for the first three years (total commitment of £1.5 million), funded from capital receipts, to match Friargate's contribution to fund the LLP, promote the scheme to investors and secure development.
  - vi) Approves that £51.2million is added to the Council's capital programme, all funded from the West Midlands Combined Authority grant.
  - vii) Approves the Council representation on these Boards be agreed by the Deputy Chief Executive (Place) and the Director of Finance and Corporate Services, following consultation with the Cabinet Member for Jobs and Regeneration and the Cabinet Member for Strategic Finance and Resources, once the format of these Boards

**is established as part of the final terms of the agreement; and that the Council representation on the LLP Members Shareholders Panel will be from members of the Cabinet.**

109. **Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of private business.

(Meeting closed at 2.40 pm)