

**Time and Date**

2.00 pm on Tuesday, 17th July 2018

Place

Committee Room 3 - Council House

Public business

1. **Apologies**
2. **Declarations of Interest**
3. **Minutes** (Pages 5 - 14)
 - (a) To agree the minutes from the meeting of Cabinet on 12th June 2018
 - (b) Matters arising
4. **Exclusion of Press And Public**

To consider whether to exclude the press and public for the item(s) of private business for the reasons shown in the report.
5. **Coventry Local Air Quality Action Plan** (Pages 15 - 30)

Report of the Deputy Chief Executive (Place)
6. **Recommendations from the Canal Basin Task and Finish Group of the Business, Economy and Enterprise Scrutiny Board (3)** (Pages 31 - 42)

Report of Councillor J McNicholas, Chair of the Business, Economy and Enterprise Scrutiny Board (3).
7. **Additional Funding to Deliver the Upper Precinct Public Realm Scheme** (Pages 43 - 54)

Report of the Deputy Chief Executive (Place)
8. **Coventry Station Masterplan Programme Update** (Pages 55 - 76)

Report of the Deputy Chief Executive (Place)
9. **Strategic Land Disposal** (Pages 77 - 86)

Report of the Deputy Chief Executive (Place)

10. **Outstanding Issues**

There are no outstanding issues

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

Private business

12. **Coventry Station Masterplan Programme Update** (Pages 87 - 110)

Report of the Deputy Chief Executive (Place)

(Listing Officer: C Knight, Tel: 024 7683 4001)

13. **Strategic Land Disposal** (Pages 111 - 120)

Report of the Deputy Chief Executive (Place)

(Listing Officer: R Moon, Tel: 024 7683 2350)

14. **Commercial Waste Expansion Plan** (Pages 121 - 126)

Report of the Deputy Chief Executive (Place)

(Listing Officer: A Walster, Tel: 024 7683 2621)

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

Martin Yardley, Deputy Chief Executive (Place), Council House, Coventry

Monday, 9 July 2018

Note: The person to contact about the agenda and documents for this meeting is Lara Knight / Michelle Salmon, Governance Services, Tel: 024 7683 3237 / 3065, Email: lara.knight@coventry.gov.uk / michelle.salmon@coventry.gov.uk

Membership:

Cabinet Members:-

Councillors F Abbott, K Caan, G Duggins (Chair), J Innes, A Khan (Deputy Chair), K Maton, J Mutton, J O'Boyle, E Ruane and Seaman

Non-voting Deputy Cabinet Members:- Councillors P Akhtar, R Ali, B Kaur, R Lakha, T Skipper and D Welsh

By invitation: Councillors A Andrews and G Ridley (non-voting Opposition representatives)

Please note: a hearing loop is available in the committee rooms

If you require a British Sign Language interpreter for this meeting
OR if you would like this information in another format or
language please contact us.

Lara Knight / Michelle Salmon

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Coventry City Council

Minutes of the Meeting of Cabinet held at 10.00 am on Tuesday, 12 June 2018

Present:

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

Deputy Cabinet Members Councillor B Kaur
Councillor R Lakha
Councillor T Skipper

Non-Voting Opposition
Members: Councillor G Ridley

Other Members: Councillor J Clifford
Councillor M Mutton

Employees (by Directorate):

Chief Executive M Reeves (Chief Executive)

People P Fahy

Place M Yardley (Deputy Chief Executive (Place), S Bennett,
B Hastie, P Jennings, R Moon, J Newman,

Apologies: Councillors R Ali, A Andrews, D Gannon, J Innes,
J McNicholas

Public Business

1. Declarations of Interest

There were no disclosable pecuniary interests.

2. Minutes

The Minutes of the meeting held on 10 April, 2018 were agreed and signed as a true record, subject to the inclusion of Councillor R Lakha in the list of apologies.

3. 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 private report in Minute 11 below headed “Edgwick Point and Wheler Road Seven Stars, Coventry – Property Acquisitions” on the grounds that the report involves the likely disclosure of information as defined in Paragraph 3 of Schedule 12A of the Act, as it contains information relating to the financial affairs of a particular person (including the authority holding that information) and in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information

4. Revenue and Capital Outturn 2017/18

The Cabinet considered a report of the Deputy Chief Executive (Place) which outlined the final revenue and capital outturn position for 2017/18 and which reviewed treasury management activity and 2017/18 Prudential Indicators reported under the Prudential Code for Capital Finance.

The Cabinet noted that the Audit and Procurement Committee would also be considering the report at their meeting on 18 June, 2018.

The report indicated that the overall financial position included a revenue underspend of £1.6m, which was required to be contributed to the Council’s General Fund reserve. At quarter 3, there had been a projected over-spend of £1.8m and the report identified the underlying movements between quarter 3 and outturn, which had resulted in an overall favourable swing of £3.4m in the final quarter and which had led to the overall underspend of £1.6m. In particular, this related to improvements within Children’s Services and Transformation and Contingency and Central budgets, which were detailed in the report.

This had enabled the Council to bring forward the fulfilment of several policy commitments and/or transactions recommended by the Council’s Director of Finance and Corporate Services to strengthen the Council’s balance sheet position and approval was sought to reserve contributions of £3.25m to meet future UK City of Culture costs and £2.1m into the Business Rates reserve to increase the Council’s financial resilience.

Headline overspends of £2.7m within Children’s Services and £4.2m relating to Housing Benefit payments were detailed in the report and were part of wider budgetary pressures in relation to housing and homelessness issues. An underspend of £6.6m within Corporate budgets related to variations in inflation contingency, pension, treasury management and Business Rates related budgets.

There had been a Capital Programme expenditure of £107m, which was £17m less than envisaged at the start of the year. The quarter 3 monitoring report to Cabinet approved a revised capital budget of £120.9m for 2017/18. Since then there had been a net programme increase of c£1m, giving a final budget for the year of £122.9m. Since February, a total of £14.7m net rescheduled spending had arisen on directorate capital programmes. The report provided a scheme by scheme analysis of rescheduling and accelerated spend.

There was also an increase in the level of Council revenue reserves from £51.3m to £67.1m. In addition, balances generated from capital receipts and capital grants to fund future capital projects had increased from £30.2m to £32.1 and reserve balances belonging to or earmarked to support schools had increased from £22.6m to £24.3m. Table 2 of the report provided a summary of reserve movements during the year.

In relation to Treasury Management Activity, the report indicated that, contrary to expectations following the EU referendum in June 2016, the UK economy strengthened by 1.8% in the calendar year 2017, the same level as 2016. However inflation rose to as high as 3.1% in November 2017, before falling back to 2.7% in February, 2018, meaning that real earnings fell. This meant that the Bank of England increased the Bank Rate by 0.25% to 0.5% in November, 2017, the first increase in ten years. Current forecasts indicated that the Bank Rate would continue to increase gradually.

Given the interest rates provided by the Public Works Loans Board, it continued to be cheaper for local authorities to use short rather than long term funds for financing. At outturn, the Capital Financing Requirement, which indicated the authority's underlying need to borrow for capital purposes, had increased to £19.7m. No new long term borrowing was actually taken out during 2017/18, however, some borrowing would be required in the future to support current capital expenditure plans and the need for any such borrowing would be kept under review in 2018/19.

Appendix 3 to the report detailed the capital and treasury management related prudential indicators.

The Cabinet agreed to approve:-

1. The final revenue outturn underspend of £1.6m (section 2.1 and Appendix 1 of the report) which will be added to the Council's General Fund reserve.
2. The final capital expenditure and resourcing position (section 2.3 and Appendix 2), incorporating expenditure of £106.5m against a final budget of £121m; £14.7m expenditure rescheduled into 2018/19 and a net underspend £0.7m.
3. The outturn Prudential Indicators position in section 2.4.4 and Appendix 3 of the report.

RESOLVED that the Cabinet recommend that Council approves reserve contributions of £3.25m to meet UK City of Culture commitments and £2.1m to add to the Council's Business Rates reserve.

5. **Care Quality Commission - Outcome of System Review**

The Cabinet considered a report of the Deputy Chief Executive (Place) which indicated that following the 2017 spring budget announcement of additional funding for adult social care, the Secretaries of State for Health and for Communities and Local Government asked the Care Quality Commission (CQC) to undertake a programme of targeted reviews in local authority areas. These

reviews were to be exercised under the Secretary of State's Section 48 (Health and Social Care Act 2008) powers.

In July 2017 it was subsequently announced that there would be 20 reviews of Health and Social Care Systems where there are challenges, particularly in relation to delayed transfers of care. Coventry was selected as one of the first 12 areas to be reviewed.

The review was conducted over a period commencing on 4 December 2017 and concluded on 14 March 2018 with a Health and Well-Being Board (HWBB) summit. Subsequent to the review the HWBB was required to submit an action plan to the CQC describing how the local system will take forward the issues identified in the review and, this was agreed by the HWBB on 9 April 2018. It is the responsibility of the HWBB to deliver the action plan and there is currently no intention for the CQC to undertake any follow up review.

The focus of the review was the interface between health and social care and the outcomes for older people moving through the system. There was an assessment of the governance in place for the management of resources and of commissioning across the interface.

In summary, in the course of the review the CQC found that there was a system wide commitment to serving the people of Coventry well and that Coventry was at the beginning of its journey in ensuring all services worked well in a 'joined up way'. However, the review also highlighted some areas where further work is needed to ensure all those responsible for providing health and care services worked effectively together. These areas are described in the Areas for Improvement section of the CQC report.

The action plan, which was agreed by the HWBB on 9 April 2018 and which was appended to the report, contained the following seven sections which group together the areas for improvement arising from the review:-

- Vision and strategy
- Engagement and involvement
- Performance, pace and drive
- Flow and use of capacity
- Market development
- Workforce
- Information sharing and system navigation

The improvement plan will be monitored through the HWBB.

RESOLVED that the Cabinet support the work of the Health and Well Being Board in delivering the agreed action plan to address the areas for improvement identified in the review.

6. **The Burges Conservation Area Regeneration**

The Cabinet considered a report of the Deputy Chief Executive (Place) which indicated that the Townscape Heritage Project focuses on the Burges Conservation Area that was given Conservation Area status in December 2014 following an expansion of the Lady Herbert's Garden originally designated in 1969.

This area has been chosen for restoration / regeneration because it is one of the city centre's last surviving historic areas with buildings and streets of medieval origin with later 19th century additions. Burges is also home to a number of locally listed buildings. There has been recent public realm investment in the vicinity. Burges, Hales Street and Palmer Lane area would also benefit greatly from investment in the buildings, public realm and by seeking to address and develop gap sites. Together, these improvements would improve the area and provide the incentive for others to invest. In addition, the area has considerable potential boosted by its location next to the Transport Museum and close to the Cathedral Quarter and the Heritage Lottery Funding (HLF) restored St John's Hospital/ Grammar School.

Based on the success of the Far Gosford Street Townscape Heritage Initiative (THI) scheme the Council and its heritage partners were invited to submit an application to develop a further THI scheme. The application has been submitted and retrospective approval was sought for the Council to act as the accountable body and contributor to the delivery of the scheme.

The detailed scheme covers a number of interventions which will enhance the appearance and economic viability of Burges, similar to the model used for Far Gosford Street Regeneration. If successful, the HLF funding (£1,825,000) together with the funding secured from Historic England Partnership Scheme in Conservation Scheme(PSICA) fund (£225,000) and a local match contribution (£1,806,403) will secure capital and revenue funding to deliver the following:-

1. Property improvement grants
2. Public realm improvements
3. Gap site intervention.
4. Community consultation and participation programme

It is intended that the above work will make a positive contribution to the areas local character and distinctiveness.

The report indicated that the area covered by the proposed Townscape Heritage Scheme was in mixed public and private ownership, details of which were contained in appendices to the report.

Consultation was carried out as part of the formal adoption process of the Conservation Area appraisal plan. The report detailed consultation carried out during the development stage and indicated that the feedback and comments received had been positive, welcoming investment into preserving the historic fabric of the area and its overall regeneration.

The Cabinet agreed to:-

1. Approve the delivery of the Townscape Heritage Initiative and the Historic England Partnership Scheme in Conservation (PSICA) Scheme.
2. Note the submission of the stage 2 application to the Heritage Lottery Fund, Townscape Heritage for the Burges Regeneration Project for £1,825,000 and the Historic England Partnership Scheme (PSICA) for £225,000.
3. Acknowledge the Historic Coventry Trust contribution of £175,000 towards the Historic England Partnership Scheme (PSICA) funding pot.
4. Approve a local match contribution of £193,166 (Liveability and Growth Fund) from the Council's own funds towards the £3,856,404 Stage 2 budget which will be utilised if the HLF Stage 2 application is successful.
5. Authorise the Council to act as the accountable body for the above grants awards, if successful and to authorise the spend of the HLF grant and other match funding secured (as detailed in the financial section 5 of this report) to deliver the scheme.
6. Delegate authority to the Deputy Chief Executive (Place) and the Director of Finance and Corporate Services to enter into the appropriate funding agreements to secure the grant funding packages (if successful)
7. Delegate authority to the Deputy Chief Executive (Place) alongside the Procurement Board to agree the most appropriate procurement route for the Townscape Heritage Scheme to be delivered

RESOLVED that the Cabinet recommend that Council:

- 1. Agree (subject to no other funding sources being secured) to underwrite the required gap funding shortfall of £383,704 (as required by Heritage Lottery Fund in order to secure their funding) and to delegate authority to the Deputy Chief Executive (Place) following consultation with the Cabinet Member for Jobs and Regeneration and the Cabinet Member for Strategic Finance and Resources to authorise any spend associated with the funding shortfall up to a limit of £383,704.**
- 2. Authorise the addition of £2,688,871 to the capital programme and £295,000 to revenue budgets, subject to approval of the Townscape Heritage Lottery Bid and match funding, and further authorise applications to other funding providers to secure the final funding package for delivery stage**

7. **West Midlands Joint Committee Dissolution**

The Cabinet considered a report of the Chief Executive which sought approval to a Unifying Resolution to dissolve the West Midlands Joint Committee (WMJC) and to new arrangements for managing the residual business of the Committee once it is dissolved.

The report indicated that WMJC was established in 1985 for the purpose of discharging the residual County Council functions that were deemed inappropriate to pass on to individual Metropolitan Borough Councils (MBCs). Lead responsibilities for different functions across the region were allocated eg support to Fire Authority; support to Passenger Transport Authority etc.

Initially meetings of the WMJC took place 3 to 4 times a year and dealt with a wide range of matters; Birmingham Airport has always been a substantial item of business but previously many transport-related matters were covered as well as more ad hoc items including waste landfill agreements, spatial planning, Environment Agency Levy.

Over more recent years, as other regional bodies have been introduced, particularly the West Midlands Combined Authority (WMCA), the responsibilities of WMJC have diminished. Only two short meetings per year are held now, often with few items of interest to Members. Birmingham City Council, Coventry City Council, Dudley MBC, Sandwell MBC, Solihull MBC, Walsall Council and City of Wolverhampton Council are member authorities of WMJC with each having one voting and two non-voting members.

Appendix 3 to the report set out the existing functions of the WMJC with recommendations on how they could be carried out in the future. These proposals were discussed and agreed by Metropolitan Chief Executives at their meeting on 27 October 2017 and again on 26 January 2018 and by Metropolitan Leaders at their meeting on 9 February 2018.

Since the majority of the existing business of WMJC is airport related, it is proposed that a WM Shareholders Airport Committee be established to deal with all Birmingham Airport matters. This would allow for more appropriate detailed discussion on issues related to the Districts' shareholding in Birmingham Airport. The new Committee will be administered by the Birmingham-based Airport Adviser. Appendix 4 set out the proposals for the Airport Committee in more detail.

The Cabinet agreed to:-

- (1) Set up a Joint Executive Committee with the other six Councils within the West Midlands for the purpose of airport decisions known as West Midlands Shareholders Airport Committee in accordance within the terms of reference set out at Appendix 4 of the Report.
- (2) Authorise the City Solicitor to negotiate, execute and complete all legal documents necessary to support and deliver the above recommendation.

RESOLVED that the Cabinet recommend that Council:-

- (1) Approves the dissolution of the West Midlands Joint Committee, for the reasons set out in the report.**
- (2) Approves the proposals for managing the remaining residual business of the WMJC once it is dissolved as set out in Appendix 3 of the Report.**
- (3) Approves the appointment of Cllr G Duggins as a voting member of the West Midlands Shareholders Airport Committee and of Cllr A Khan and Cllr G Ridley as non-voting members once the Committee is established.**
- (4) Authorises the City Solicitor and Monitoring Officer to make any relevant changes to the Council's Constitution in order to enact the recommendations.**

8. Edgwick Point and Wheler Road Seven Stars, Coventry - Property Acquisitions

The Cabinet considered a report of the Deputy Chief Executive (Place), which sought approval for the acquisition of commercial properties at Edgwick Point and Wheeler Road, Seven Stars Industrial Estate.

A corresponding private report detailing confidential aspects of the proposals was also submitted to the meeting for consideration (Minute 11 below refers)

The Council is committed to investing capital receipts in order to increase revenue income, supporting services it seeks to deliver. Two opportunities have been presented to the Council to acquire property, which once let, will create income producing investments.

Edgwick Point is currently owned by The Wigley Group. They have secured a planning consent enabling the demolition of the existing buildings and the construction of 65,000sqft of buildings for industrial and warehousing use. A review of the existing consent in order to optimise the efficiency of the scheme is underway. Due to a current lack of supply of new industrial accommodation in the City, demand for space remains strong. The Council's independent property agent, Drake Howard, is confident that the units will let well. This is also supported by the success of the extension to Lythalls Lane Industrial Estate which the Council undertook in the last couple of years. The location of Edgwick Point, just off the A444 and Foleshill Road, affords easy accesses to the motorway and key arterial routes in the north of the city. The site forms part of the larger Edgwick Park, which includes occupiers such as Lidl, Royal Mail and a Mercedes Benz car showroom.

The second option, Wheler Road, comprises the purchase of two modern, detached, office and workshop premises. The total area for both properties extends to 6,200 sqft. benefiting from a total of 28 car parking spaces. Wheler Road forms part of the Seven Stars Industrial Estate. This is an established and well located, commercial business estate. The estate is accessed off the Humber

Road which affords easy access to the main arterial routes across the city and beyond to the motorway network.

Both properties are currently vacant. It is considered that to assist with the re-letting of the property there is a need to undertake some refurbishment work. These costs have been assessed and factored into the financial assessment of the investment.

The estimated income from both properties has been independently assessed by Drake Howard on behalf of the Council and has informed the business case. Drake Howard have also considered and evaluated the purchase prices and confirmed that they represent open market value.

Acquiring vacant units rather than tenanted premises adds an element of risk around the ability to secure tenants. In both property cases these have been mitigated by selecting good quality accommodation located on well connected and established business locations. The accommodation is flexible in terms of the size of accommodation and what each property can be used for, increasing the target market as wide as possible. In addition, independent property advice has been taken which supports the view that the units will attract tenants based on assumed rental levels.

These risks are reflected in the investment yield / return on the capital employed to purchase the property and due to the scarcity of property available are typical of those currently available in the investment market. Based on experience it is believed that the proposed layout can be improved upon, increasing the potential lettings and therefore will be explored.

The Cabinet agreed to:-

1. Approve in principle the acquisition of the freehold interest in land at Edgwick Point, Coventry as shown on the attached plan 1 to the report and to fund the buildings to be constructed. (The financial implications being outlined in the private report.)
2. Authorise the acquisition of the long leasehold interest in the properties on Wheler Road Coventry as shown on the attached plan 2 to the report. (The financial implications being outlined in the private report).
3. Delegate authority to the Deputy Chief Executive (Place) following consultation with the Director of Finance and Corporate Services and the City Solicitor, to undertake the necessary due diligence, negotiate and finalise the terms of the acquisition of the properties and to complete all necessary legal documentation to facilitate the completion of the purchases.
4. Delegate authority to the Deputy Chief Executive (Place), following consultation with the Cabinet Member for Jobs and Regeneration, for any subsequent variation in terms.

RESOLVED that the Cabinet recommends Council to approve the necessary adjustment of the Capital programme to reflect the capital expenditure incurred in the acquisition of the Edgwick Point and Wheler Road interests.

9. **Outstanding Issues**

There were no outstanding issues.

10. **Any Other Items of Urgent Public Business**

There were no other items of urgent public business.

11. **Edgwick Point and Wheler Road Seven Stars Coventry - Property Acquisitions**

Further to Minute 8 above, the Cabinet considered a private report of the Deputy Chief Executive (Place) that set out confidential aspects of proposals for the acquisition of commercial properties at Edgwick Point and Wheler Road Seven Stars Industrial Estate.

Cabinet agreed to:-

1. Approve in principle the acquisition of the freehold interest in land at Edgwick Point, Coventry as shown on the attached plan 1 to the report and to fund the buildings to be constructed for up to a maximum gross expenditure as detailed in the report, to include fees and Stamp Duty Land Tax.
2. Authorise the acquisition of the long leasehold interest in the properties on Wheler Road Coventry as shown on the attached plan 2 to the report for a gross expenditure as detailed in the report to include fees and Stamp Duty Land Tax.
3. Delegate authority to the Deputy Chief Executive (Place), following consultation with the Director of Finance and Corporate Services and the City Solicitor, to undertake the necessary due diligence, negotiate and finalise the terms of the acquisition of the properties and to complete all necessary legal documentation to facilitate the completion of the purchases.
4. Delegate authority to the Deputy Chief Executive (Place) following consultation with the Cabinet Member for Jobs and Regeneration, for any subsequent variation in terms.

RESOLVED that the Cabinet recommends Council to approve the necessary adjustment of the Capital programme to reflect the capital expenditure incurred in the acquisition of the Edgwick Point and Wheler Road interests.

12. **Any Other Items of Urgent Private Business**

There were no items of urgent private business.

(Meeting closed at 10.30 am)



Public report Cabinet Report

**Business, Economy and Enterprise Scrutiny Board (3)
Cabinet**

**11th July 2018
17th July 2018**

Name of Cabinet Member:

Cabinet Member for Jobs and Regeneration – Councillor J O’Boyle
Cabinet Member for Public Health and Sport – Councillor K Caan
Cabinet Member for City Services – Councillor J Innes

Ward(s) affected:

City-wide

Director Approving Submission of the report:

Deputy Chief Executive (Place)

Title: Coventry Local Air Quality Action Plan

Is this a key decision?

Yes – the proposals within the report have financial implications of over £1m and will have an impact across the city.

Executive Summary:

In July 2017, the Government published the “United Kingdom Plan for tackling roadside nitrogen dioxide (NO₂) concentrations”, and Coventry was named as one of 22 towns and cities within the UK where NO₂ levels are forecast to exceed legal limits by 2020. The Government has established a Joint Air Quality Unit (JAQU) to work with the relevant local authorities to achieve the legal limits for NO₂ in the shortest possible time within the identified towns and cities.

To meet JAQU requirements, the City Council needs to develop a Local Air Quality Action Plan (LAQAP) setting out how the Council will achieve the legal limits for NO₂ in the shortest possible time. This LAQAP, supported by a Full Business Case identifying the resources required to implement it, needs to be submitted to JAQU by the end of 2018.

An initial Strategic Outline Case (SOC) for the LAQAP was submitted to JAQU in March 2018, outlining the range of measures under consideration for inclusion in the LAQAP, as outlined in Paragraph 2.1 within the main body of the report. The SOC will form the basis for the further development of the LAQAP. Further work is underway to investigate possible routes to achieve compliance including promoting the use of electric vehicles and utilising the latest technology to maximize the efficiency of the road network and to promote changes in travel behaviour.

In the meantime the City Council has been successful in obtaining funding to help reduce NO₂ including:

1. £2.021m 'early measures' funding which will be targeted at the A4600 corridor (Ball Hill)
2. £1.5m 'clean bus technology' fund for retrofitting over 100 National Express buses to make them Euro 6 compliant
3. £300,000 for the introduction of residential on-street electric vehicle charging.

Cabinet approval is sought to add these to the capital programme.

The Government has also published details of the latest round of the Ultra-Low Emission Bus Scheme (ULEBS) whilst Innovate UK is also currently calling for bids to its Research and Development Fund for on-street and wireless charging technologies for electric vehicles. Both of these offer opportunities for the City Council to develop further bids for funding that would support the operation of electric-powered buses within the city, initially through a pilot project based on the Walsgrave Road corridor. This would clearly contribute towards achieving NO₂ compliance within the city as part of the Air Quality Action Plan. Bids to the ULEBS will need to be submitted by the end of June 2018.

The Government published the draft National Clean Air Strategy for consultation on 22nd May 2018 with responses due to be submitted by 14th August 2018. A response to relevant questions is currently in preparation.

Recommendations:

Cabinet is requested to:

- 1) Delegate Authority to the Deputy Chief Executive (Place), following consultation with the Leader of the Council, Cabinet Member for Jobs and Regeneration, Cabinet Member for Public Health and Sport, Cabinet Member for City Services and the Director of Finance and Corporate Resources, to:
 - Determine the final content of the Local Air Quality Action Plan and Full Business Case and to bring these back to Cabinet for consideration prior to submission to the Government's Joint Air Quality Unit by December 2018.
 - Implement the Early Measures programme for the A4600 Corridor utilising the £2.021 million grant funding received from Government for this purpose.
 - Develop and submit to the appropriate bodies bids for grant funding for further measures that would support the objectives of the emerging Local Air Quality Action Plan.
 - Respond to the Government consultation on the Clean Air Strategy.
- 2) Note the addition of the NO₂ Plan Early Measures Fund grant awarded for the A4600 Corridor (£2.021m) and approve addition of the successful Coventry NO₂ Reduction Early Measures Programme to the Council's 5 year Capital Programme as approved by Council on 20th February, 2018 and delegate authority to the Deputy Chief Executive (Place), following consultation with the Director of Finance and Corporate Resources to enter into funding agreements as appropriate.
- 3) Approve the Council to act as Accountable Body for, and note the addition to the Council's capital programme of the £1.5m Clean Bus Technology Fund capital grant, and delegate authority to the Deputy Chief Executive (Place), following consultation with the Director of Finance and Corporate Resources, to enter into funding agreements as appropriate.

- 4) Note the addition of the £300,000 On-street Residential Charge Point Scheme capital grant to the Council's 5 year Capital programme and delegate authority to the Deputy Chief Executive (Place), following consultation with the Director of Finance and Corporate Resources, to enter into funding agreements as appropriate.
- 5) Delegate authority to the Deputy Chief Executive (Place) for the conduct of procurement processes as relevant to achieve delivery of the Air Quality Action Plan and for the award of such procurement once a compliant tender exercise has been conducted.

The Business, Economy and Enterprise Scrutiny Board (3) is requested to:

- 1) Support the recommendations to Cabinet.
- 2) Identify any additional recommendations to Cabinet.
- 3) Receive updates on the progress of the Plan.

List of Appendices included:

Appendix 1 – Early Measures Programme: A4600 Corridor

Appendix 2 – Air Quality Action Plan Programme

Background papers:

None

Other useful documents:

Clean Air Strategy draft for consultation. https://consult.defra.gov.uk/environmental-quality/clean-air-strategy-consultation/user_uploads/clean-air-strategy-2018-consultation.pdf

Has it been or will it be considered by Scrutiny?

Yes – Business, Economy and Enterprise Scrutiny Board (3) on 11th July

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Coventry Air Quality Action Plan

1. Air Quality Action Plan and Full Business Case

- 1.1 In July 2017, the Government published the “UK plan for tackling roadside NO₂ Concentrations” and Coventry was named as one of the 22 towns and cities in the UK where annual mean NO₂ concentrations are projected to exceed legal limits in 2020, and beyond. Reducing NO₂ concentrations to a level within the legal limit is required to be achieved in the shortest possible time, a target that has been confirmed by the High Court following recent proceedings against the UK government brought by an environmental pressure group (ClientEarth). As a result, the Government has established the Joint Air Quality Unit (JAQU), which includes officials from the Department for Transport (DfT) and the Department of the Environment Food and Rural Affairs (DEFRA), to work with the named local authorities to develop action plans to achieve compliance.
- 1.2 There are known locations, shown by local air quality monitoring, within Coventry where annual mean NO₂ concentrations exceed the level set by the European Union (EU) Limit Value and National Air Quality Strategy objective (40 µg/m³). However, the whole of the Coventry urban area has been selected as the overall study area as it has been declared an Air Quality Management Area (AQMA) since 2009. This is to avoid the situation where a targeted approach in one or more geographic areas only shifts the problem elsewhere.
- 1.3 A comprehensive traffic data collection programme has been undertaken to provide a robust evidence base of the current volume and composition of traffic in the city. This information will provide insight into the number and type of vehicles (including age of vehicles and fuel types) travelling in the city, and helps identify the worst polluting sources in each location. Work is underway to incorporate this information into air quality modelling which will be used to develop interventions as part of an options appraisal process.
- 1.4 On the basis of the initial data, a bid was made to JAQU for ‘early measures funding’. The bid was based on the A4600 (Walsgrave Road, Ball Hill) corridor, an important transport corridor in the North-west of the city linking the city centre with Junction 2 of the M6. The corridor contains a mix of residential and commercial areas, including the Hospital.
- 1.5 Sections of this corridor suffer from NO₂ exceedance, hence its selection as the focus for the Early Measures Programme. This programme of interventions is a mixture of infrastructural and behaviour change/travel planning measures that will be delivered in a co-ordinated and targeted way to deliver maximum impact. The objective is to ‘Deliver a scheme that leads to compliance with NO₂ concentrations limits in the shortest possible time’. The principal way to achieve this in the short term is to reduce the number of vehicular trips on the road, the stop-start nature of vehicles, and to upgrade to cleaner vehicles. The programme comprises the following:

Engagement Programme

- 1.5.1 The engagement activities will promote behaviour change by people who live, work or study along the A4600 corridor from the city centre to the M6. Engagement activities will take place in schools and workplaces and within residential areas to promote walking, cycling, car sharing, public transport and the use of Ultra-Low Emission Vehicles (ULEVs). This will be reinforced by an air quality public awareness campaign, and public events aimed at the wider community. This campaign will be linked with and will build upon the current Coventry and Warwickshire Choose How you move programme: www.coventry.gov.uk/activetravel

Electric Taxis

- 1.5.2 Taxi drivers are well placed to act as ambassadors for the adoption of low emission vehicles through their visible presence on street in areas of high footfall, such as the city centre, Hospital and University. To promote the uptake of electric taxis to replace diesel powered vehicles, the opportunity will be created for drivers to trial electric taxis through a package of measures that will incentivise them to do so. This initiative will complement the installation of rapid charging points for electric taxis, which is being funded separately by OLEV in a project that is commencing during 2018/19.

Ball Hill Junction Improvement

- 1.5.3 Ball Hill is a key district centre, through which the A4600 from the M6 into the city centre runs. The signalised junction of Walsgrave Road /Clay Lane/Brays Lane creates a bottle neck which results in vehicle delay, idling vehicles and NO₂ emissions. It is proposed to redesign this junction to reduce delay on the A4600 and improve air quality. Proposals will be subject to public consultation later in 2018, including residents and businesses, with the implementation of the scheme being programmed for late 2018 / early 2019.

A4600 Corridor Traffic Management and Technology

- 1.5.4 Technology will be used to improve traffic management along the A4600 by better connecting traffic signals using the SCOOT (Split Cycle Offset Optimisation Technique) system. This can be used to improve traffic flow by giving traffic a green wave, which reduces congestion and emissions. This system will be connected to new air quality monitors along the corridor and variable message signs at gateways to communicate information to drivers about air quality and route options.

1.6 Other Secured and Potential Funding Sources

- 1.6.1 The Council has the opportunity to bid for additional funding through the Clean Air Fund. The application for the Clean Air Fund will be submitted as part of the Outline Business Case. The aim of the fund is “to support individuals and businesses affected by local NO₂ plans without reducing the effectiveness of those plans.” Detailed guidance on the CAF has just been released by Government and the opportunities for a Coventry bid to complement the AQAP are being identified. This will be a competitive bid process.
- 1.6.2 The Council has also secured funding for the installation of electric vehicle charging points across the city, with two programmes of work being funded.

- Electric Charging Points for Taxis – as reported to Cabinet on 13th February 2018, this programme will see 39 electric charging points installed across the city centre for the use of taxis utilising capital grant funding of £1.2 million secured from Government. The installation of this infrastructure is essential to support the objective of transforming the taxi fleet within Coventry from the current ageing stock to a modern, low emission, fleet of vehicles. The lack of charging points is one of the main barriers to ownership and operation of electric taxis within the city, and this programme will ensure that electric taxis will become a viable option for taxi operators within Coventry. The installation programme will commence in 2018 and will be completed by 2020. The contract for this work has been awarded to a consortium led by Siemens. A revenue sharing agreement is in place between the Council and the consortium, and the consortium will be responsible for the management and maintenance of the charging points, including all associated costs.

- On-street Electric Car Charging Points in Residential Areas – this programme is aimed at encouraging private ownership of electric cars through the installation of charging points in residential areas where private off-street parking is at a premium. Around 140 charging points will be installed in residential areas of the city where parking takes place on street, with the aim of removing one of the barriers to electric car ownership. The Government has awarded the Council £300,000 in capital grant funding for this programme for 2018/19, with a further £100,000 in match funding being secured from the private sector partners within the project. The installation, management and maintenance of the charging points will be undertaken by the private sector consortium led by Siemens, as part of the same arrangements as the Taxi scheme referred to above.

1.6.3 The Government has also launched the latest round of bidding for the Ultra-Low Emission Bus Scheme. This is focussed upon the purchase of Ultra-Low Emission Buses, fuelled by hydrogen or electricity, to operate on public services, and is targeted upon reducing vehicle emissions and improving air quality. Bus services operating within areas that have been designated as Air Quality Management Areas are particularly identified as suitable for this funding stream, with Government seeking to encourage bus operators to purchase cleaner buses with the aim of improving air quality. Bids need to be submitted by the end of June, and the Council is working with National Express and Transport for the West Midlands to develop a suitable bid based on the introduction of electric buses and supporting charging infrastructure within Coventry.

1.7 Clean Air Strategy – consultation response

1.7.1 UK Government has launched a Clean Air Strategy for consultation and the Council have the opportunity to help shape the final strategy which is due to be published later this year. The strategy looks at all sources of air pollution, as well as consideration of balance of powers and responsibility between lower and upper tier authorities.

1.7.2 The Clean Air Strategy sets out a wide range of actions on which the UK government is consulting and also shows how devolved administrations intend to make their share of emissions reductions. This consultation will inform the final Clean Air Strategy and detailed National Air Pollution Control Programme, to be published by March 2019. It is designed to complement three other UK government strategies: the Industrial Strategy, the Clean Growth Strategy and the 25 Year Environment Plan. *“Clean air is essential for life, health, the environment and the economy. Government must act to tackle air pollution which shortens lives. We have already acted to reduce concentrations of nitrogen dioxide (NO₂) around roads from cars. But vehicles are not the only source of harmful emissions. Air pollution is a result of the way we currently generate power, heat our homes, produce food, manufacture consumer goods and power transport. Better, cleaner technologies and simple changes in behaviour will tackle the pollution that claims lives. In the past, the priority was to tackle the biggest individual sources of pollution. As these major sources of emissions have decreased, the relative contribution of smaller and more diffuse sources of air pollution, like smaller industrial sites, product use, open fires in homes and spreading manure on farms, has increased. That requires new action.”*

1.7.3 The consultation seeks views on a wide range of issues from a variety of stakeholders, and not all of these are applicable to the City Council or would impact upon the delivery of Council services and activities. The draft CAS sets out the comprehensive action that is required from Government and society to meet goals for improved air quality and reduced emissions. It also sets out Government’s intention to produce a stronger and more coherent framework for action to tackle air pollution, including new powers to control major sources of air pollution. The key sectors considered within the draft CAS are:

- Protecting Public Health;
- Protecting the Environment;
- Securing clean growth and innovation;
- Reducing emissions from transport;
- Reducing emissions from homes;
- Reducing emissions from farming;
- Reducing emissions from industry;
- Leadership, including from local government;

1.7.4 The main areas upon which the Council could usefully respond include Government's proposals in relation to air pollution and public health, the environment, growth, transport and the local powers and duties that might be conferred upon local authorities with respect to air pollution. The proposed response from the City Council to the consultation should focus on these specific areas of the draft CAS.

1.7.5 The deadline for responses to the consultation is 14th August 2018.

1.8 The Council submitted a Strategic Outline Case (SOC) to JAQU in March 2018, setting out the evolving evidence base on air quality, specifically NO₂ levels, traffic flows and the composition of vehicles travelling on Coventry's local road network. The SOC also identified the process by which the measures to be included in the NO₂ reduction action plan would be identified and tested for effectiveness. Building on this working, and taking account of feedback received from JAQU, the Council must now prepare and submit a Full Business Case to JAQU by the end of 2018, setting out the proposed action plan and the resources required to deliver the measures contained within it. These resources would include funding in the form of grant from the Implementation Fund set up by JAQU to support local authorities in the delivery of their action plans. Further funding may be available through the Clean Air Fund for which guidance on eligible expenditure is due to be published by JAQU in the near future.

1.9 The SOC demonstrated that a wide ranging long list of options had been considered and a multi-criteria analysis (MCA) approach was used to score and appraise each of these. Those options that are most likely to achieve compliance with the objective of reducing NO₂ levels in the shortest possible time will be taken forward for consideration for inclusion within the Action Plan.

2 Options Considered

2.1 The shortlisted packaged options, covering the key themes of greener vehicles, smoother traffic flow and behaviour change, are listed in the table below, and following feedback received from JAQU these will be refined based on additional evidence and modelling work. It should be noted that JAQU require the effectiveness of all options to be benchmarked against the establishment of Clean Air Zones (CAZs) where non-compliant vehicles are charged for access to defined areas.

OPTION	Primary Theme	DETAILS
Do Nothing		-
Benchmark CAZ B		Coventry City's inner ring road and key radial routes targeting taxis, coaches, buses, and HGVs.
Benchmark CAZ C		Coventry City's inner ring road and key radial routes targeting taxis, coaches, buses, HGVs and LGVs.
S1	Reducing the number of private vehicle trips by improving alternative modes	Reduce the number of private vehicle trips in the Coventry urban area (with a focus on bus improvements in key areas. Also includes low emission taxis)
S2		Reduce the number of private vehicle trips in the Coventry urban area (Same as S1 plus a focus on cycling in key areas)
S3		Reduce the number of private vehicle trips in the Coventry urban area (Same as S1 plus a focus on improving traffic flow along key corridors)
S4	Improving the public transport and commercial fleet operating within the city	Increase the proportion of Euro 6 compliant buses and taxis within the Coventry urban area.
S5		Increase the proportion of Euro 6 compliant buses within the Coventry urban area.
S6		Increase the proportion of Euro 6 compliant LGVs within the Coventry urban area.
S7	Manage the existing network for efficiencies, with significant focus on sustainable travel engagement and incentives	Improve journey efficiency along key radial and arterial routes supported by Travel Planning and marketing.
S8		Improve journey efficiency along key radial and arterial routes supported by cycling measures, travel planning and marketing.

2.2 Packages S1-S8 have been locally identified based on the available evidence, and will now be fully appraised and tested as to their effectiveness in reducing NO₂ levels as well as for their impact upon travel demand and patterns within the city. The final shortlist will evolve following this appraisal and the preferred option that emerges from this process may well involve a mixture of measures from across the shortlisted options. The outcome of this further work will be reported back to the Cabinet in the Autumn ahead of the submission of the FBC to JAQU.

3. Results of consultation undertaken

3.1 Public and stakeholder consultation will take place during the development of the Local Air Quality Action Plan, and will be reported within the Full Business Case.

3.2 Consultation will also be undertaken in relation to the design of the Ball Hill junction improvement at appropriate stages of the design process. This will be particularly important as changes to the junction layout will potentially affect a number of groups including road users, local businesses, residents and transport companies.

3. Timetable for implementing this decision

4.1 The Local Air Quality Action Plan and supporting Full Business Case need to be submitted to JAQU by December 2018, and work is continuing on the development of these. A further report on the LAQAP will be brought back to the Cabinet for consideration prior to its submission.

- 4.2 The Early Measures programme needs to be delivered by Autumn 2019, with the majority of the individual projects to be delivered during financial year 2018/19.
- 4.3 Other funding bids will be developed and submitted to meet the deadlines set by the funding bodies, with the ULEBS bid to be submitted by the end of June 2018.
- 4.4 Comments on the Government's Clean Air Strategy consultation need to be submitted by 14th August 2018.

4. Comments from Director of Finance and Corporate Resources

5.1 Financial implications

5.1.1 Revenue grant funding of £700,000 has been received from Government to support the development of the Local Air Quality Action Plan (LAQAP) and the supporting Full Business Case (FBC). Once the FBC has been submitted to Government, grant funding for the implementation of the LAQAP can be secured through two different funding streams, these being:

- Implementation Plan funding – this is the core funding for the AQAP implementation, which will be awarded to the Council based on the FBC submission, and;
- Clean Air Fund (CAF) – this is supplementary funding which will be awarded to local authorities on a competitive basis to support measures that will mitigate the impact of measures implemented through the LAQAP, where these will have an economic impact upon local businesses and communities. The Council will need to submit a supplementary bid for CAF grant as part of the FBC submission.

5.1.2 In addition, grant funding of £2.021 million has been awarded to the Council for the implementation of the Early Measures Programme. This funding was paid to the Council in March 2018 and is for the 2018/19 financial year.

5.1.3 The funding secured to date complements other grant secured from Government for other initiatives that will help to improve air quality within Coventry by helping to transition the vehicle fleet towards low emission vehicles. These other funding sources includes:

- Electric Charging Points for Taxis – as reported to Cabinet on 13th February 2018, capital grant funding of £1.2 million has been secured from OLEV for the installation of 39 electric charging points across the city for use by taxis. The contract for the installation of these points has been awarded to a private sector consortium led by Siemens, and installation will commence later in 2018.
- On-street Electric Vehicle Charging Points in Residential Areas – capital grant funding of £300,000 has been secured for the installation of up to 140 on-street charging points in residential areas across Coventry. These will support the increased take-up of electric cars by Coventry's residents by removing one of the main barriers to such ownership in inner-city residential areas with no off-street parking. The grant funding is supplemented by a further £100,000 of match funding provided by the private sector partners in the project. The installation of the charging points will be delivered through the contract with the private sector consortium led by Siemens, as set out above.

- Low Emission Bus Scheme – capital grant funding of £1.5 million has been secured to allow the main local bus company, National Express, to retrofit the older buses within its fleet by replacing the engines with modern Euro6 compliant engines that meet with current requirements in terms of emissions. The retrofit programme is being managed by National Express, and is programmed to be delivered during 2018/19. Approval is sought for the Council to act as Accountable Body for this grant.

5.1.4 These funding streams are not anticipated to have any revenue budget implications to the Council, as a revenue sharing agreement between the Council and the consortium of private sector partners responsible for the supply and operation of the charging points is in place for both the charging point schemes. This agreement will see the consortium receiving 70% of income with the Council receiving 30%. The management and maintenance of the charging points is the responsibility of the consortium. Therefore, there are no direct revenue implications for the Council, with any surplus revenue being available for reinvestment in future extension of the charging point network within the city. Similarly, National Express will be responsible for the future maintenance and operation of the buses following the retrofitting programme, and there are no revenue implications to the Council from this programme.

5.2 Legal implications

5.2.1 The Government has a legal obligation to achieve a reduction in NO₂ levels as part of the national strategy. The City Council is obliged to prepare and implement a Local Air Quality Action Plan setting out how it intends to improve air quality within the designated AQMA, and this needs to be submitted to JAQU by December 2018.

5.2.2 For the Early Measures programme, there may be a requirement to introduce Traffic Regulation Orders (TROs) to support the introduction of traffic management measures along the A4600 corridor, including the improvement of the Ball Hill junction, depending upon the final scheme design. These will be subject to the standard statutory consultation process for TROs.

5.2.3 A back-to-back GAA will need to be agreed with the project partners with regard to the £1.5 million grant award for the Clean Bus Technology Fund.

5.2.4 The measures which are set out within this report and which will be required to support the business case will be subject to the EU procurement principles, including rules regarding State Aid, and the Council's Rules for Contracts. There is therefore a requirement that they be tendered competitively and that the process be transparent, non-discriminatory and ensures the equal treatment of bidders. In compliance with the principles, there is also the expectation that the procurement(s) will be advertised widely enough for interested bidders to be aware of the contract (s). Where individual requirements are above the EU thresholds, then the full Public Contract Regulations 2015 will be adhered to.

5.3 Procurement implications

5.3.1 Consultancy support required to assist with developing the Local Air Quality Action Plan and the supporting Full Business Case will be procured via the Shared Professional Services Framework (SPSF).

5.3.2 Consultancy support to develop and deliver the engagement programme under the Early Measures programme will also be procured via the SPSF, using a mini-competition approach.

- 5.3.3 Procurement of the electric taxis for the “try before you buy” programme will be undertaken in line with both the Council’s Rules for Contracts and the Public Contract Regulations 2015, in close consultation with the Council’s Procurement Services, with approval being reviewed by the Place and Corporate Procurement Panel and Procurement Board at the necessary financial values.
- 5.3.4 Where appropriate frameworks are available and offer the Council value for money, use will be made of these to expedite timescales for delivery across all Contracts, including the design of the Ball Hill junction improvement and the supply and installation of traffic management technology along the A4600 corridor. It is proposed that the Council’s Direct Labour Organisation (DLO) will carry out the junction improvement works at Ball Hill.
- 5.3.5 Where a full procurement is required, this will be carried out in line with the Council’s rules for contracts and the public contract regulations 2015 as they apply.

5.4 State Aid Implications

5.4.1 Under the relevant EU rules, in order for a proposal to constitute state aid, all four questions as shown below have to be engaged:

- Is the assistance granted by the state or through state resources?
- Does the assistance distort or have the potential to distort competition?
- Does the assistance give a selective advantage to one or more undertakings over others?
- Does the assistance affect trade between member states?

5.4.2 A detailed consideration of State Aid rules was undertaken in relation to the proposed measure resulting from Clean Bus Technology Fund 2017-2019 (CBTF) as this was a requirement prior to the submission of the application. Coventry City Council considers such measures to fall outside the parameters of Article 107 (1) of the Treaty on the Functioning of the European Union (State Aid). More specifically, the approach taken by Transport for West Midlands on behalf of Coventry City Council in advertising the availability of CBTF and the subsequent proposals received from operators means that, in the reasonable opinion of Coventry City Council the proposal does not provide a competitive advantage that distorts competition, nor indeed affects trade between member states.

5. Other implications

6.1 How will this contribute to achievement of the Council's Plan?

6.1.1. The development of the Local Air Quality Action Plan and the implementation of the Early Measures programme will both fully contribute towards meeting the following objectives within the Council’s Plan:

- Improving the quality of life for Coventry’s people by improving health and wellbeing and reducing health inequality.
- Creating an attractive, cleaner and greener city.

6.1.2 The Council recognises the impact of air pollution on health and wellbeing and is committed to taking action to improve air quality in the city. It is recognised that air pollution has effects on health across the life course, contributing to the development or exacerbation of a range of health conditions, as well as to mortality at a population level.

The LAQAP measures will accordingly be developed to support the improvement of public health by tackling air quality problems within the city.

6.2 How is risk being managed?

- 6.2.1 A robust governance structure is in place to manage risk, both for the Local Air Quality Action Plan and the Early Measures programme. A programme risk register is established which highlights key risks and puts in place appropriate mitigation, and this is routinely monitored by the Air Quality Programme Board which has multi-disciplinary representation from CCC, Public Health representatives and JAQU.

6.3 What is the impact on the organisation?

- 6.3.1 The development of the Local Air Quality Action Plan and the implementation of the Early Measures programme will use the time and resources of Councillors and senior officers. The resources required for the delivery of the Early Measures programme will, however, largely be funded from the programme budget, whilst further funding bids, such as for the Ultra-Low Emission Bus Scheme, will include an element of budget for project and programme management which will reduce the call upon officer time should the bids be successful.

6.4 Equalities / EIA

- 6.4.1 The Early Measures programme will improve public health in Coventry by reducing emissions. As the areas of poorer air quality within the city also tend to be those areas with greatest levels of social deprivation, the impact on any group protected under the Equalities Act is anticipated to be generally positive. As part of the options appraisal process for measures to be included in the Local Air Quality Action Plan a distributional impact analysis will be undertaken to ensure that no groups are disproportionately negatively impacted, although it is also important that those most affected by poor air quality are disproportionately positively impacted. Where such negative impacts are identified, then funding can be sought from the Clean Air Fund to implement further measures to mitigate those impacts. Such measures could include compensating businesses for increased operating costs incurred as a result of the LAQAP. Funding could also be sought to support protection of those most significantly impacted by air pollution.

6.5 Implications for (or impact on) the environment

- 6.5.1 The Early Measures programme will have a positive impact on the environment through the reduction in emissions that are intended to be achieved, and the associated improvement in air quality. The design of the Ball Hill junction improvement will include the appropriate level of environmental impact assessment for this level of scheme.
- 6.5.2 Similarly, the measures to be included in the Local Air Quality Action Plan will also be intended to have a significantly positive impact upon the environment through improving air quality within the city.
- 6.5.3 Other projects to be brought forward through the securing of funding from other sources such as the Ultra-Low Emission Bus Scheme will be designed to complement the Air Quality Action Plan and to contribute positively towards the improvement of air quality within Coventry, as well as promoting active and sustainable modes of travel for journeys within the city.

6.6 Implications for partner organisations?

- 6.6.1 Coventry City Council will work closely with Transport for West Midlands through scheme development and delivery on the individual elements of the Early Measures programme, and on other supporting funding bids such as those to the ULEBS.
- 6.6.2 The City Council will also be working with taxi and bus operators, especially on the introduction of electric-powered vehicles and supporting infrastructure within the city.
- 6.6.3 The Early Measure engagement programme will involve close working with a range of partners including major businesses and employers, the Hospital NHS Trust, Universities, schools, and local community organisations.
- 6.6.4 The Council also works closely with local authorities in Warwickshire, through the Coventry and Warwickshire Air Quality Alliance, sharing best practice in relation to tackling air pollution and emissions, and the Alliance will be an important stakeholder in the development of the Local Air Quality Action Plan especially where identified measures might require cross-boundary initiatives and co-operation.

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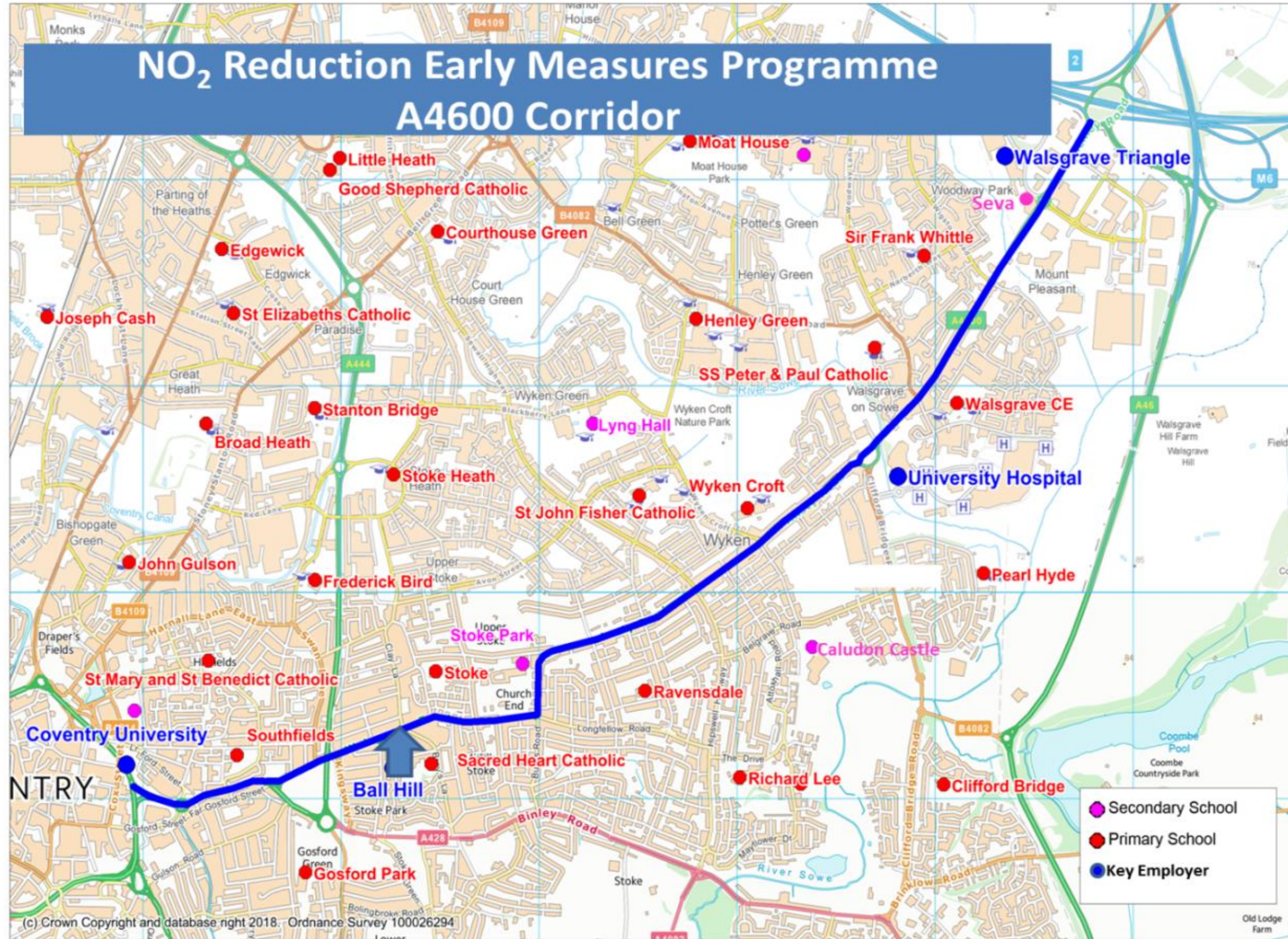
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Councillor J Innes	Cabinet Member for City Services	-	22/6/18	26/6/18

This report is published on the council's website: www.coventry.gov.uk/councilmeetings



To: Cabinet

Date: 17th July 2018

Subject: Coventry Local Air Quality Action Plan

1 Purpose of the Note

- 1.1 To inform Cabinet of the recommendations from the Business, Economy and Enterprise Scrutiny Board (3) arising from their consideration of the Coventry Local Air Quality Action Plan report

2 Recommendations

- 2.1 The Business, Economy and Enterprise Scrutiny Board support the recommendations to Cabinet and further recommended that:
- 1) The Local Air Quality Action Plan considers the following:
 - a. A strong emphasis on encouraging cycling and walking
 - b. Further investigation into the use of green corridors to improve air quality
 - c. Use the Councils licensing powers to address pollution caused by diesel taxis
 - d. Encourage all bus operators in the city to improve the quality of their fleet to be Euro6 compliant

3 Information/Background

- 3.1 At their meeting on 11th July 2018, the Business, Economy and Enterprise Scrutiny Board (3) considered a report on the Coventry Local Air Quality Action Plan.
- 3.2 Members asked question on the following:
- What measures had been considered to improve air quality, particularly in terms of cars
 - What a clean air zone would mean
 - The use and benefits of green corridors to improve air quality
 - Requests for more data on progress made in reducing NO2 and particulates
 - Impact of the removal of bus lanes on air quality
 - The timescales to meet required targets and the implication of not meeting them
 - Pollution from taxis and what powers the authority has
 - Which bus operators responded to the funding scheme

3.3 Members recommended that they receive the Cabinet report with the final Local Air Quality Action Plan before it goes to Cabinet later this year.

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Cabinet

17th July 2018

Name of Cabinet Member:

Cabinet Member for Jobs and Regeneration

Director Approving Submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

Radford, plus others on the route of the Canal

Title:

Recommendations from the Task and Finish Group of the Business, Economy and Enterprise Scrutiny Board (3) on the Canal and Canal Basin

Is this a key decision?

No

Executive Summary:

The Council holds a 99 year long leasehold interest from 1st February 1995 in the Canal Basin St Nicholas Street from the Canal and River Trust under the terms of two head leases both dated 20th January 1999 and in turn is responsible for the day to day management and operation of the Canal Basin

At their meeting on 20th September 2017, following a referral from Scrutiny Co-ordination Committee, the Business, Economy and Enterprise Scrutiny Board (3) considered an item on the Canal and Canal Basin. Members heard from representatives from the Coventry Canal Society, the Coventry Canal Basin Trust and The Tin Music and Arts (based at Workshops 1-4 Canal Basin). At that meeting it was resolved that the Board request that a Task and Finish Group be arranged to facilitate improvements to and better use of the Canal and Canal Basin.

The Task and Finish Group met with stakeholders and Cabinet Members and visited the Canal Basin and the Canal. This enabled them to identify recommendations which were accepted by the Business, Economy and Enterprise Scrutiny Board (3) at their meeting on 15th May 2018.

Recommendations:

The Business, Economy and Enterprise Scrutiny Board (3) recommend to Cabinet that:

- 1) Coventry City Council work closely with the Canal and River Trust to review the use of the Canal and Canal Basin to create a clear vision and aspiration for the increased use of the Canal and Canal Basin in Coventry.
 - a. The review should recognise the cultural and heritage contribution the canal has and can in future make to the City.
 - b. The review should maximise the public health potential and contribution the area makes as a lung of the City, which is recognised as part of the Council's Green Space Strategy.

- c. The review should assess the current use of all of the buildings at the Canal Basin to ensure that they are appropriate to the renewed vision and aspiration for the Canal and Canal Basin in Coventry.
 - d. The review should involve all partners and organisations with an interest in the Canal and Canal Basin.
 - e. The review should consider transport connectivity between the Canal Basin and the City Centre.
- 2) Cabinet Members should meet with representatives of the universities, and other health and sports related organisations in the City to maximise the contribution to improved health outcomes the Canal can make.
 - 3) Coventry City Council consider “quick wins”, such as changing the long stay car park at Leicester Row to a short stay, improved signage to the Canal Basin, improved lighting, and the removal of the wall at the entrance to the Canal Basin on the junction of St. Nicholas St and Leicester Row, to improve ease of access.
 - 4) Coventry City Council work closely with the Canal and River Trust to address issues of cleanliness and maintenance, as well as formally recognising the contribution made by the Coventry Canal Society to this work.
 - 5) Coventry City Council support the Canal and River Trust in getting local businesses located on the Canal side involved to support the work in increasing the use of the canal and the Canal Basin.
 - 6) Coventry City Council formally recognise the appointment of an Elected Member to the West Midlands Canal and River Trust Board of Trustees.

List of Appendices included:

None

Background papers:

None

Other useful documents

Briefing Note - [*Briefing note - Recommendations from the Canal and Basin Task and Finish Group.*](#)

Has it been or will it be considered by Scrutiny?

This report hasn't been considered by Scrutiny, but the Business, Enterprise and Economy Scrutiny Board (3) considered a briefing note containing the above recommendations at their meeting on 15th May 2018, which were accepted with the addition of recommendation 1) e (their minute 50/17 refers).

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Recommendations from the Task and Finish Group of the Business, Economy and Enterprise Scrutiny Board on the Canal and Canal Basin

1 Context (or background)

- 1.1 The Council holds a 99 year leasehold interest from 1st February 1995 in the Canal Basin St Nicholas Street from the Canal and River Trust under the terms of two head leases both dated 20th January 1999 and in turn is responsible for the day to day management and operation of the Canal Basin.
- 1.2 At their meeting on 20th September 2017, following a referral from Scrucro, the Business, Economy and Enterprise Scrutiny Board considered an item on the canal and the Canal Basin. Members heard from representatives from the Coventry Canal Society, the Coventry Canal Basin Trust and The Tin Music and Arts (based at Workshops 1-4 in the Canal Basin).
- 1.3 At that meeting it was resolved that the Board request a Task and Finish Group be arranged to facilitate improvements to and better use of the Canal and Canal Basin.
- 1.4 The Members of the task and finish group were agreed to include Councillor McNicholas, Councillor Hammon and Councillor Bally Singh.
- 1.5 In addition, Cllr Auluck from the Board and Cllr Mal Mutton, representing Radford Ward, where the Canal Basin is situated, were also members of the task and finish group.
- 1.6 Members of the task and finish group were minded that any recommendations would need to be taken in the context of no financial resource and limited officer resource.

2 Options considered and recommended proposal

- 1.1 Option 1- Do Nothing
- 1.2 Members considered that doing nothing would result in the canal and the Canal Basin not meeting it's potential, which in the context of Coventry being an ambitious city was not a viable option.
- 1.3 Option 2 – Use the information gathered by the Task and Finish Group to identify recommendations for recommendations to Cabinet.
- 1.4 Members considered that this was the preferred option and identified recommendations to facilitate improvements to and better use of the Canal and the Canal Basin
- 1.5 The Business, Economy and Enterprise Scrutiny Board (3) recommend to Cabinet that:
 - 1) Coventry City Council work closely with the Canal and River Trust to review the use of the canal and the Canal Basin to create a clear vision and aspiration for the increased use of the canal and the Canal Basin in Coventry.
 - a. The review should recognise the cultural and heritage contribution the canal has and can in future make to the city
 - b. The review should maximise the public health potential and contribution the area makes as a lung of the city, which is recognised as part of the Council's Green Space Strategy
 - c. The review should assess the current use of all of the buildings at the Canal Basin to ensure that they are appropriate to the renewed vision and aspiration for the canal and canal basin in Coventry.
 - d. The review should involve all partners and organisations with an interest in the canal and canal basin.
 - e. The review should consider transport connectivity between the Canal Basin and the City Centre

- 2) Cabinet Members should meet with representatives of the universities, and other health and sports related organisations in the city to maximise the contribution to improved health outcomes the canal can make.
- 3) Coventry City Council consider “quick wins”, such as changing the long stay car park at Leicester Row to a short stay, improved signage to the Canal Basin, improved lighting, and the removal of the wall at the entrance to the Canal Basin on the junction of St. Nicholas St and Leicester Row, to improve ease of access.
- 4) Coventry City Council work closely with the Canal and River Trust to address issues of cleanliness and maintenance, as well as formally recognising the contribution made by the Coventry Canal Society to this work.
- 5) Coventry City Council support the Canal and River Trust in getting local businesses located on the canal side involved to support the work in increasing the use of the canal and the Canal Basin
- 6) Coventry City Council formally recognise the appointment of an Elected Member to the West Midlands Canal and River Trust Board of Trustees.

3 History and context¹

- 3.1 The canal was built primarily to transport coal from the pits at Bedworth, Coventry and Nuneaton to the rest of the Midlands and beyond. The Coventry Canal Company was formed in 1768. The full length from Coventry to Fradley was opened in 1789. The Canal Basin was opened in 1769 and expanded in 1788.
- 3.2 The Coventry Canal was a vital trade artery for many years. In particular, it was part of the Birmingham-London route via the Birmingham and Fazeley Canal, Coventry Canal, Oxford Canal, and River Thames. The Coventry Canal paid a dividend right up to 1947, and remained navigable to the present day.
- 3.3 Although industry adjoining the canal was booming, the actual use of the canal for the transportation of goods had declined through the 20th century, mainly due the closure of the north Warwickshire collieries which the canal had been built to serve.
- 3.4 It was nationalised in 1948 being operated first by the British Transport Board and then by the British Waterways Board, the forerunners of British Waterways. In 2012 all of British Waterways' assets and responsibilities were transferred to the Canal and River Trust.
- 3.5 In 1957, Coventry Canal Society was established to promote the proper use and maintenance of the canal, and to protect its interests.
- 3.6 Many of the buildings and the site at the Canal Basin were restored between 1993 and 1995. The Canal Bridge, Canal House and the warehouses are grade II listed buildings.
- 3.7 The canal and surrounding area from the Canal Basin to Hawksbury Junction is designated as a conservation area.
- 3.8 Coventry's Green Space Strategy is in the process of being refreshed and the canal will be considered as a “blue corridor” as part of the strategy. The strategy recognises that currently the benefits of green and blue corridors in the city are not being maximised.

4 Visit to the Canal

¹http://www.coventry.gov.uk/downloads/file/6098/coventry_canal_conservation_area_appraisal_4_july_2012
<http://covcanalsoc.org.uk/>
<https://canalrivertrust.org.uk/enjoy-the-waterways/canal-and-river-network/coventry-canal>

- 4.1 Alan Dyer, Chair of the Canal Basin Trust gave a tour of the Canal Basin Warehouse, which is owned by the Canal and River Trust and leased to the Canal Basin Trust. The warehouse is an historic building which has been restored and extended by the Canal Basin Trust. It is used by local artists and has about 40 residents at any one time. Representatives from The Ludic Rooms (an arts studio based at the warehouse) also contributed to the discussion.
- 4.2 David Moore from Valley Cruises gave a brief introduction to his business of canal cruises. It is an important, yet overlooked contributor to the tourism offer in the city, including bed space.
- 4.3 Elaine Tierney, Chair of Trustees for The Tin Music and Arts, gave an overview of the work and aspirations of The Tin Music and Arts, especially around training young people in music technology.
- 4.4 Representative from the Canal and River Trust talked about their plans for the future, including recruitment of volunteers to increase capacity and to improve the perception of the canal. They have been water and boat focused but realise they need to address issues about the towpaths as well. They have seen investments in Birmingham pay off with increased usage.
- 4.5 Resources are always an issue and upkeep is costly so they need to prioritise. There is also a strategic, as well as an operational aspect to the canals, in terms of sustainable transport, green space, public health etc.
- 4.6 Key issues identified
- 4.7 All partners at the meeting were given the opportunity to raise their issues and concerns. The main issues raised were:
- 4.7.1 Activity issues
- Footfall – there are plenty of people who walk past the Canal Basin, so access is not an issue, but they do not come into the Canal Basin
 - There needs to be specific reason for people to come, not just reliant on passing trade
 - Parking capacity
 - Engagement with the local community
 - Strategic joined up approach by all partners – clear vision for the area
 - Links to the City of Culture as a cultural and heritage asset for the city
 - General awareness, brand visibility, raising the profile
 - Engagement with the traders
- 4.7.2 Infrastructure issues
- The visual appeal of the entrance, poor signage, unwelcoming entrance, boarded up buildings, that it looks shut
 - Dredging
 - Access to the towpath to make it convenient to the community
 - Condition of the arts trail and storyboards
 - Litter and overgrown vegetation
- 4.8 Members of the task and finish group were hoping to meet with representatives of the traders based at the Canal Basin. However, unfortunately, it was not possible to arrange a mutual time to meet.

5 Meeting with the CAN project

- 5.1 Helen Cuthill from Coventry University and representatives from The Tin Music and Arts talked about the plans they are developing for the building owned by the Canal and River Trust. The building is the first building from the public access to the Canal Basin.

- 5.2 The plans include developing the ground floor to a flexible space, including a print room and community arts activity. A quick win will be to put art work on the hoardings to make the area look more inviting, interesting and open.
- 5.3 The university would lead on the costs and rent a third of the space for the print studio. The model will be self-sustaining. The Tin Music and Art's role would be co-ordination and use of the building.
- 5.4 This would be part of a vision for the Canal Basin to be a creative hub for the city, with a combination of cultural, business and commercial focus.

6 Canal Trip

6.1 Members of the task and finish group went on a journey from the Canal Basin to Swan Lane on a canal boat. The Director of Streetscene and Regulatory Services and the Director of Project Management and Property Services also attended.

6.2 Members were able to experience the canal from the water, which gave a different perspective on the canal. Members identified several issues as part of the visit.

6.2.1 Canal issues

- The water by the banks is quite shallow - more visitor's moorings as well.
- The canal is a cul-de-sac – therefore there needs to be a reason for boaters to come down into the Canal Basin. If the canal feels and looks safe and attractive it gives a reason to come down.
- Vegetation narrows the navigable water.
- Vegetation on the towpath can put walkers off.
- Work has been done to clear the canal of rubbish and vegetation, it can only be done from the water, which adds to the complexity.
- There is a programme of dredging by the Canal and Rivers Trust, but the timetable isn't necessarily available.

6.2.2 Canal side issues

- There were a lot of dog walkers on the tow path, but no dog waste or litter bins
- Lighting at night time could be an issue for safety
- The condition of some parts of the towpath could put users off
- The arts trail is looking sorely neglected, which has the potential to be a real asset as part of City of Culture 2021
- The canal seems more accessible where newer residential developments have been built that open onto the canal.

6.2.3 Canal Basin issues

- Lack of information for visitors to the Canal Basin especially signage and how to get to other locations in the city.
- Complexity of landownership and responsibility.
- Most of the freehold of the land at the Canal Basin is owned by the Canal and River Trust.
- The Council holds a 99-year leasehold interest from 1st February 1995 in the Canal Basin St Nicholas Street from the Canal and River Trust under the terms of two head leases both dated 20th January 1999 and in turn is responsible for the day to day management and operation of the Canal Basin
- The Council, acting as the tenant of the leases dated 20th January 1999 is responsible for the granting of sub-leases to third parties of the commercial offices workshops and the retail outlets.

7 Liaison with the Canal and River Trust

- 7.1 The Canal and River Trust (CRT) are a charity that are responsible for protecting and managing the canals in England and Wales. The areas are split into regional partnerships, the Coventry canal coming under the West Midlands Partnership.
- 7.2 The CRT are responsible for the water and towpath of the canal in Coventry and are also the landowners of part of the canal basin.
- 7.3 The Chair of the task and finish group had several meetings with the Chair of the Partnership and the Waterway Manager to discuss some of the issues that had come up as part of the task and finish group.

8 Comments from Director of Streetscene and Regulatory Services and Director of Highways and Infrastructure

- 8.1 Improvements to Junction 1 of the ring road are included on the long list going to Cabinet in March, but will be dependent on funding availability.
- 8.2 Issue with the car park on Leicester Row could be easily resolved, transferring from a long stay to a short stay to encourage visits to the Canal Basin, as well as improved signage and some linked publicity to the Canal Basin.
- 8.3 The Council has control of those buildings that the Council holds under the terms of the two long leases within the Canal Basin i.e. Coventry Telegraph offices. The smaller retail units would have a natural change of use as the rest of the site changed.
- 8.4 The Council could consider looking at offering alternative accommodation for any current occupiers of the Canal Basin who may need to move premises.
- 8.5 The Council could look at a partnership arrangement with residents who live along the canal for bin emptying arrangements. Installing bins is not the issue, the cost of emptying them is.
- 8.6 There needs to be some corporate recognition of the work that the Coventry Canal Society do in clearing out the canal.
- 8.7 Lighting could be an issue on some parts of the canal and the impact on wildlife. The canal would not have traditionally been lit, however lighting might be more appropriate in some stretches of the tow path than others.
- 8.8 Enforcement powers could be used to address fly tipping but would need to have evidence to prosecute. There could be the possibility of some communication with member of the public on this issue.
- 8.9 Access is not just an issue at the Canal Basin. There are points of access along the canal, which could be improved. There is the potential for partnerships to improve access, tied in with 2021, with the Ricoh and Arena Park. S106 funding from Courtauld's has been used to make improvements to the towpath previously.
- 8.10 A partnership of organisations associated with the canal in Coventry could be a useful organisation
- 8.11 The Directors welcomed Cllr McNicholas' appointment to the West Midlands partnership of the CRT.

9 Comments from Cabinet Members

- 9.1 On 10th April 2018, a meeting with the Cabinet Member for Jobs and Regeneration, Cabinet Member for City Services and Cabinet and Deputy Cabinet Member for Public Health and Sport was held to brief the relevant portfolio holders on the progress of the task and finish

group and to enable the Cabinet Members to make comment on the emerging findings of the group.

- 9.2 Overall the Cabinet Members were supportive of the general approach and findings of the Task and Finish Group. The main concern was with resources and capacity to deliver anything additional to current Council commitments under the two long leases.
- 9.3 The Cabinet Members were supportive of closer links with the Canal and River Trust, and will be happy to work in partnership, but were clear that the Council would not be taking on any of their duties or responsibilities, particularly in relation to cleansing and maintenance.
- 9.4 The Cabinet Member for Jobs and Regeneration was clear that the main issue in realising the potential of the Canal Basin is the location on the outside of the ring road. For it to be fully successful there needs to be access links with the City Centre.
- 9.5 The Cabinet Member for Jobs and Regeneration also highlighted the limited resources and capacity for development projects in the city. The current round of Growth Funding has been allocated, with no clear picture of whether any future funding will be available.
- 9.6 The Cabinet Member for Jobs and Regeneration also suggested the potential of links with the creative industries to widen the appeal of the location.
- 9.7 The Cabinet Member for City Services was open to changes to car parking and working with CRT to improve signage, but mindful that there needs to be something to sign post people to.
- 9.8 The Cabinet Member for City Services also recognised that proposals for Junction 1 of the ring road were on the “long list” of capital projects, but that there were other projects with higher priorities for the limited funding available.
- 9.9 The Cabinet and Deputy Cabinet Member for Public Health and Sport recognised the potential of the canal and basin as a public health asset, but also recognised that public safety issues, such as poor lighting and inaccessibility, could discourage use of the tow path.
- 9.10 The Cabinet Member for Public Health and Sport also offered to arrange a meeting with Public Health officers to discuss health issues related to the canal.
- 9.11 The Deputy Cabinet Member also pointed out future development happening in the location, particularly student accommodation and plugging into that market.

10 Results of consultation undertaken

- 10.1 There was no formal consultation that took place as part of the task and finish group, however as mentioned above, Members heard evidence from stakeholders involved in the canal and Canal Basin.
- 10.2 Despite best efforts Members were unable to meet with the traders based at the Canal Basin within the timescales.
- 10.3 Since the completion of the task and finish group there has been engagement with local residents about the use of the Canal Basin, as part of the CAN project.

11 Timetable for implementing this decision

- 11.1 There are no required timescales for the implementation of this decision, however the Business, Economy and Enterprise Scrutiny Board will require a progress report in 12 months' time.

12 Comments from Director of Finance and Corporate Resources

12.1 Financial implications

There are no quantifiable financial implications of the recommendations however the identified quick wins are likely to have a one-off cost to implement and potentially on-going costs to maintain. These quick win proposals will require Cabinet Member approval and will have to be considered in more detail and with regard to the already noted limited resources and capacity to deliver.

12.2 Legal implications

Any variations to the terms of the two head leases dated 20th January 1999 as a consequence of the recommendations herein contained will require officers to obtain an appropriate delegated authority in particular as a consequence of any change of use that may be agreed between the Council and the Canal and River Trust

Officers may be required to negotiate terms with existing occupiers in respect of any relocation to alternative premises

Officers will be required to satisfy the requirements to secure best value under the provisions of Section 123 Local Government Act 1972

Officers within Legal Services, Place Directorate will be required to prepare negotiate and complete any document with the Canal and River Trust or existing occupiers

Any changes to the pricing tariff at Leicester Row Car Park as referred to in this report would require completion of a formal variation pursuant to The Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996.

13. Other implications

13.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)?

These recommendations if accepted will contribute to the Council Plan, contributing to:

- Globally connected – promoting the growth of a sustainable Coventry economy
- Supporting businesses to grow
- Developing the City Centre
- Arts, sports and cultural opportunities

- Locally Committed – improving the quality of life for Coventry people
- Create an attractive, cleaner & greener city
- Improve health and wellbeing

- Delivering our priorities – with fewer resources
- Making the most of our assets

13.2 How is risk being managed?

The key risks associated with the proposals are to do nothing. Without the support of the Council and the Canal and River Trust, the canal and basin will continue not to meet its potential. There are a significant number of organisations that are invested in the success of the canal and basin, but have struggled to maintain a coherent joined up approach to the issues, with the two main land owners at the location.

Other risks associated with the proposals are about raising expectations. Resources available to support the proposals are limited. The recommendations are based on pooling resources and working together to make best use of limited resources available.

13.3 What is the impact on the organisation?

There may be impact on the organisation, in terms of capacity of officers to implement the recommendations. There should be no additional financial implications associated with the recommendations, but they will require officer time.

13.4 Equalities / EIA

The wards closest to the canal basin and canal (Radford and Foleshill) are some of the most deprived in the city. This means residents living near the canal are more likely to experience higher levels of disadvantage associated with economic and social exclusion as well as health inequalities. Therefore, the health benefits of accessing a “blue corridor” for activity will be felt by those in some of the most deprived wards of the city.

13.5 Implications for (or impact on) the environment

Implementing the recommendations will have a positive impact on the environment by improving and increasing access to a “blue corridor”. The green spaces alongside the canal will be improved and have greater access, improving the look of the environment in this part of the city.

13.6 Implications for partner organisations?

These recommendations should have positive implications for partner organisations, many of which, mentioned above, have been involved in providing evidence to the task and finish group.

Partners involved, received the recommendations positively when they were presented to the Business, Economy and Enterprise Scrutiny Board meeting, to which they were invited. They expressed their support for partnership working to address some of the long-standing issues they had identified as part of the task and finish group.

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Andrew Walster	Director of Streetscene and Regulatory Services	Place	31/5/18	20/6/18
Councillor J O'Boyle	Cabinet Member for Jobs and Regeneration	-	22/6/18	26/6/18

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Public report Cabinet report

Cabinet
Council

17 July 2018
4 September 2018

Name of Cabinet Member:

Cabinet Member for Jobs and Regeneration – Councillor J O’Boyle
Cabinet Member for City Services – Councillor J Innes

Director Approving Submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

St. Michael’s

Title:

Additional Funding to Deliver the Upper Precinct Public Realm Scheme

Is this a key decision?

Yes - the Council’s Constitution sets out that any decision outside of the ‘Budget and Policy Framework’ must be referred to Council for a decision.

Executive Summary:

The purpose of this report is to request from Cabinet a recommendation to Council to note the use of the urgency provision, as set out in Paragraph 6 of Part 3C of the Council’s Constitution, by the Leader, following consultation with the Chair of the Scrutiny Co-ordination Committee, to take a decision approving additional capital funding to deliver the Upper Precinct Public Realm scheme.

In March 2018, Cabinet approved the ‘Public Realm Phase 5’ programme which identified priority public realm and streetscape schemes to be delivered across the city centre. The report noted the significant investment in public realm in the city centre since 2011 and how this investment had played a key role in attracting the private sector, including Shearer Property Group’s (SPG) investment in the Cathedral Lanes scheme, to invest in the city and support our vision for transforming the city centre as a place for business, leisure and shopping.

The March 2018 Cabinet report also identified the fantastic opportunity the award of UK City of Culture provides to further enhance the city centre ahead of 2021 and as a lasting legacy for residents and businesses. To this end, the report identified a priority order for the schemes, based on location and likely footfall, that would maximise the impact on the city centre. The number one priority was the proposal to bring forward the transformation of the Upper Precinct through public realm enhancements to create a high quality public space.

To maximise the transformation to this part of the city centre, the Upper Precinct public realm scheme has been developed in partnership with JP Morgan (as asset advisors to the owners of

the Upper Precinct retail parade) and their retail advisors SPG. As well as high quality paving, lighting, columns and balustrades, the scheme also provides a once in a generation opportunity to remove some of the lower quality elements of the Upper Precinct which are not in keeping with either the historic nature of the city centre nor a fit for purpose, 21st century retail environment, including the removal of the escalator and the bridge links across the precinct. These elements will be delivered as part of the first phase of improvements. The second phase of the scheme will involve removal of the Council owned retail unit (which is currently leased to Ernest Jones) adjacent to the ramp connecting the Upper Precinct to Broadgate. This aspiration, which will restore the Upper Precinct to its former glory, is still subject to acquisition and funding. A bid has been submitted to the West Midlands Combined Authority as part of the wider Public Realm Phase 5 package seeking the additional funds to deliver this element which could enable completion ahead of 2021. If this is unsuccessful the ambition is to make this part of a later phase, after 2021.

However, since the scheme was originally conceived, confidence in the retail market across the country has declined significantly which, as a consequence, has led to the financial contribution from the owners of the Upper Precinct retail parade into the scheme being reduced. Therefore, whilst the Council has undertaken a thorough value engineering exercise which has generated scheme savings, it is proposed that the Council's funding contribution increases from £6.7m to £7.6m (out of a total scheme cost of £10.7m) in order to realise all the benefits of the full scheme.

It is proposed that the additional funding is secured from the following sources:

- £500,000 is re-allocated to the Upper Precinct public realm scheme from the 'New waterpark and leisure centre' Public Realm Phase 5 scheme (the March 2018 Cabinet report authorised a decision around the reallocation of funding to be delegated to the Deputy Chief Executive (Place), following consultation with the Cabinet Members for City Services and Jobs and Regeneration)
- £450,000 to be identified and agreed as new capital funding to cover the funding shortfall.

Recommendations:

Cabinet is asked to recommend that Council:

1. Note the use of the urgency provision, as set out in Paragraph 6 of Part 3C of the Council's Constitution, by the Leader, following consultation with the Chair of the Scrutiny Co-ordination Committee, to take a decision approving that £450,000 is added to the Council's capital programme, funded from corporate reserves, to enable the delivery of the Upper Precinct public realm scheme.

Council are requested to:

1. Note the use of the urgency provision, as set out in Paragraph 6 of Part 3C of the Council's Constitution, by the Leader following consultation with the Chair of the Scrutiny Co-ordination Committee to take a decision approving that £450,000 is added to the Council's capital programme, funded from corporate reserves, to enable the delivery of the Upper Precinct public realm scheme.

List of Appendices included:

Appendix A - Upper Precinct Public Realm Scheme Works

Background papers:

None

Other useful documents

Public Realm Phase 5 – Council Report of 13 March 2018

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

Yes - 4 September 2018

Report title: Additional Funding to Deliver the Upper Precinct Public Realm Scheme

1. Context (or background)

- 1.1 The Council's Cabinet resolved at the meeting dated 6th March 2018 to identify a programme of transformational public realm schemes ('Public Realm Phase 5') that would enhance the city centre in preparation for 'City of Culture 2021' and create a lasting legacy for local people and businesses. As part of this report, Cabinet approved the receipt of £7.75m of 'Growth Deal' funding from the Coventry and Warwickshire Local Enterprise Partnership (CWLEP) to fund the following priority public realm schemes:
 - Upper Precinct - £6.7m
 - New waterpark and leisure centre - £0.5m
 - Palmer Lane - £0.05m
 - Scheme development costs - £0.5m
 - **Total - £7.75m**
- 1.2 The delivery of the Upper Precinct public realm scheme is a key priority within the Public Realm Phase 5 programme as, in line with our overall vision for the city centre, it will play a key role in transforming this busy, retail-focused part of the city and create a high quality environment suitable for City of Culture 2021 events and activities.
- 1.3 The programme of works for the Upper Precinct (set out in appendix A) have been developed in partnership with JP Morgan and SPG and their involvement has been critical in developing a comprehensive scheme. This comprehensive approach has secured both private sector funding for key elements of the scheme and, as importantly, agreement from the retail parade's owners to allow for the loss of significant space (and hence value) within the retail parade in order to accommodate a new escalator which in turn will allow for the removal of the existing escalator within the Upper Precinct.
- 1.4 As the scope of the works required for the Upper Precinct has been developed, the wider retail market across the country has continued to deteriorate with well-publicised reports of major town centre retailers either entering into administration or seeking Company Voluntary Arrangements (CVAs) in order to close underperforming stores and / or reduce their rent payments to landlords. It is against this backdrop that JP Morgan and SPG have advised that in order for the owners of the retail parade to gain internal approvals for the capital investment, the reconfiguration of their retail parade and the loss of investment value, their own capital contribution to the project has had to be reduced. The Council has also taken commercial advice which supports this view regarding the exceptionally challenging nature of the retail market and the impact that has had on their ability to secure internal approval to invest in the scheme.
- 1.5 The scheme has a current anticipated shortfall of up to £950,000 for which funding is required in order to deliver a comprehensive, high quality scheme as a great legacy for local people after we have welcomed the world for City of Culture 2021.
- 1.6 The plans to transform the Upper Precinct were approved by Planning Committee in December 2017 and the permission included the removal of the Council owned retail unit (currently leased to Ernest Jones) adjacent to the ramp connecting the Upper Precinct to Broadgate. The current budget does not allow for these works, therefore it is proposed this element is undertaken as part of a later phase. A bid has been submitted to West Midlands Combined Authority as part of a wider programme requesting funding to deliver Public Realm Phase 5, which may provide the option for this element to come forward and be delivered as the same time as the other public realm works, subject to acquisition of the unit.

2. Options considered and recommended proposal

2.1 Option 1. No additional Council funding

2.1.1 Under a 'do nothing' approach where additional funding was not forthcoming, the Council would not be able to progress with a comprehensive public realm scheme for Upper Precinct and realise its delivery prior to the start of UK City of Culture programme in 2021. The Council has sought to value engineer the scheme in order to ascertain whether it can be delivered within its original budget. Whilst that has generated some savings, the delivery of a high quality scheme in keeping with the vision for the city centre requires additional funding of up to £950,000.

2.1.2 The Council has also assessed options for securing additional external funding to cover the current funding shortfall. Applications are now open for funding from the CWLEP for projects that will make a positive impact on i) the local economy ii) the delivery of successful City of Culture 2021 and Commonwealth Games 2022 programmes. Officers will be preparing applications to the CWLEP to support the delivery of the Council's public realm programme, including additional funding to support the Upper Precinct public realm scheme, however, the CWLEP will not be making decisions on funding allocations until December 2018 and work is required to commence on the Upper Precinct scheme during Summer 2018 (a Listed Building Consent application is anticipated in July 2018) in order to enable delivery prior to 2021.

2.2 Option 2. Additional Council funding (preferred option)

2.2.1 Given how important the delivery of a comprehensive, high quality public realm scheme is, it is proposed that the additional funding is secured from the following sources:

- £500,000 is re-allocated to the Upper Precinct public realm scheme from the 'New waterpark and leisure centre' Public Realm Phase 5 scheme (the March 2018 Cabinet report authorised a decision around the reallocation of funding to be delegated to the Deputy Chief Executive (Place) following consultation with the Cabinet Members for City Services and Jobs and Regeneration)
- £450,000 to be identified and agreed as new capital funding to cover the funding shortfall.

2.2.2 As identified in para 2.1.2 above, officers will be preparing an application to the CWLEP to secure additional funding for key public realm schemes in the city. This includes the necessary funding required to replace the £500,000 for the 'New waterpark and leisure centre' public realm scheme. Whilst we are confident that there is a clear alignment with this project and the CWLEP's funding criteria, it is important to note that a successful outcome is not guaranteed.

2.2.3 Approval of the additional funding required will enable the delivery of a scheme which supports the Council's ambitions to transform the city centre for the benefit of residents, businesses and visitors and maximise opportunities from City of Culture status to welcome the world, encourage investment and create a legacy beyond 2021.

3. Reasons for urgency

- 3.1 Given the national and international attention that will be focussed on Coventry as the City of Culture 2021, the delivery of a world class city centre streetscape before 2021 is clearly a priority for the Council. It is essential that the final legal agreement confirming the works, funding and delivery responsibilities is completed as a matter of urgency as the Council has been advised by its contractors that the works will be unable to be delivered prior to 2021 unless the works start imminently. Furthermore, this scheme provides the opportunity to realise the removal of the existing escalators. If the scheme were not to go ahead then the opportunity for the escalator removal will be lost.
- 3.2 The Council's Constitution sets out that any decision outside of the 'Budget and Policy Framework' must be referred to Full Council for a decision. However, the next meeting for Cabinet to refer the decision to Council is not until 17th July 2018 and thereafter to Full Council on 4th September 2018 and it is not advised that the decision is delayed until then for the reasons set out in this report.
- 3.3 However, Part 3C of the City Council's Constitution provides for urgency provisions around the Budget and Policy Procedure Rules and sets out the associated decision-making process to be taken.
- 3.4 Paragraphs 6.1 – 6.3 of Part 3C of the Constitution enables the Leader to take a decision under urgency procedures, as long as (a) if it is not practicable to convene a quorate meeting of the full Council; and (b) the Chair of the Scrutiny Co-ordination Committee, or Deputy, agrees that the decision is a matter of urgency.

4. Results of consultation undertaken

- 4.1 The March 2018 Public Realm Phase 5 Cabinet report identified the following key elements in relation to consultation and engagement which are relevant to the Upper Precinct public realm scheme:
- The CWLEP has undertaken a consultation exercise with local businesses to determine the priorities it should focus on and that the schemes identified within the public realm programme fully align to the proposed CWLEP Strategic Economic Plan.
 - The Public Realm Phase 5 proposals also fully align to the WMCA Strategic Economic Plan and seek to deliver against the ambitious targets set within it. The consultation process for the Strategic Economic Plan took place in 2016.
 - Consultation with Access Groups has been ongoing throughout the delivery of Public Realm schemes and will continue for the development of all Phase 5 schemes.

5. Timetable for implementing this decision

- 5.1 All CWLEP Growth Deal spend must be defrayed by the end of March 2021 in order to submit a final grant claim. Therefore works are to be completed by end December 2020 to ensure there is time for final payments to be made. This coincides with the deadline imposed by City of Culture, as all works need to be completed before 2021.

6. Comments from Director of Finance and Corporate Resources

6.1 Financial implications

- 6.1.1 The overall cost of the proposed re-scoped package of Upper Precinct public realm related improvement works are estimated to be £10.73m. For the reasons described in the report, the landlords of the Upper Precinct have approved a reduced investment contribution of £3.12m. This leaves a net cost to be funded by the City Council of up to £7.65m (including contingencies).
- 6.1.2 The original allocation of Growth Deal funding approval by members towards the Upper precinct scheme in the March 2018 Public Realm Phase 5 report was £6.7m. The report proposes that the allocation of £0.5m originally approved for 'New Waterpark and Leisure Centre' public realm is reallocated to the Upper Precinct scheme under authority delegated by members to the Deputy Chief Executive (Place) in the same report. This provides revised funding of £7.2m towards the total cost of £7.65m, a gap of £0.45m.
- 6.1.3 The recommendation in the report is proposing a further corporate contribution to the scheme of £0.45m to bridge the funding gap to enable the scheme to proceed. Should members approve this, it is proposed that funding is from reserves.
- 6.1.4 The report indicates that officers will be seeking to identify alternative external funding to replace the £0.5m 'New Waterpark and Leisure Centre' public realm resources.

6.2 Legal implications

- 6.2.1 There are no legal implications associated with this report.

7. Other implications

7.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)?

- 7.1.1 The Council's Economic Growth and Property Strategy, approved by Cabinet in March 2018 (minute 136/17 refers), sets out the Council's vision that: Coventry will be a city that delivers sustainable and inclusive economic growth enabling all of our residents and businesses to prosper.
- 7.1.2 The Upper Precinct Public Realm scheme and the wider Public Realm Phase 5 programme will indirectly or directly provide jobs across the city and sub-region. The Economic Growth and Property Strategy specifically acknowledges the importance of infrastructure to help create growth and connect people to jobs.
- 7.1.3 The Upper Precinct Public Realm scheme and the wider Public Realm Phase 5 programme also support the City Centre Area Action Plan and Local Plan, which identifies the importance of public realm and these key areas for development.
- 7.1.4 The CWLEP recognises the importance of a successful Coventry city centre to the sub-region as a whole in its strategy. The Upper Precinct public realm scheme is therefore aligned with the "Unlocking Growth Potential" theme of the Coventry and Warwickshire Strategic Economic Plan (SEP).

7.2 How is risk being managed?

- 7.2.1 As set out in the March 2018 Public Realm Phase 5 Cabinet report, arrangements are in place within the Place Directorate to deliver the accountable body role ensuring that procedures are in place to manage risk. There is a robust governance structure in place for the public realm programme whereby risks are managed by project team level and reported to project board. Regular risk workshops are undertaken on all projects to ensure active monitoring and management.
- 7.2.2 It should be noted that certain elements of the scheme relating to the creation of the new escalator within the retail parade will be delivered by JP Morgan and SPG on behalf of the landlord but grant funded through the Council. It should be noted that the Council's liability in relation to these works is capped at a total of £2.26m and any cost overruns will be the responsibility of the landlord.
- 7.2.3 As set out in para 2.2.1 above, one of the consequences of this decision will be that additional funding to cover the £500,000 reallocation to the Upper Precinct from the 'New waterpark and leisure centre' public realm will need to be found in order to ensure the delivery of high quality public realm that complements the Council's investment in this high profile leisure facility. Officers will produce a high quality, detailed and robust application to the CWLEP to secure additional funding to replace the funding for the 'New waterpark and leisure centre' public realm scheme and officers are confident of the alignment and strategic fit between the funding application and the CWLEP's criteria (although it is important to note that a successful outcome is not guaranteed).

7.3 What is the impact on the organisation?

- 7.3.1 There are resources in place to deliver the project which will be led by the Transport and Infrastructure service area. The project will be governed as part of the wider Public Realm Programme, via the existing Public Realm Programme Board, and project team meetings will take place involving SPG. The works will be undertaken by the Council's Direct Labour Organisation whilst specialist work such as demolition will be sub-contracted via existing OJEU compliant frameworks.

7.4 Equalities / EIA

- 7.4.1 The Public Realm Phase 5 report approved by Cabinet in March 2018 noted that each of the infrastructure projects will undertake an Equality Impact Assessment as part of project development, consulting with accessibility groups and stakeholders as necessary. In general, public realm proposals such as this will make movement around the city centre easier for everyone due to the removal of unnecessary street furniture and to create a more legible urban environment.
- 7.4.2 The Public Realm Phase 5 report also noted that discussions with the Access Groups and representative organisations were underway and will continue through scheme development to ensure that the design of all schemes to be developed properly reflects access needs. There have been regular meetings with the Access Development Group and the Coventry and Warwickshire Access Committee to review the impact of Phase 1 to 4 schemes and to consider the design of further schemes. In particular, the Council has worked closely with the Guide Dogs Association providing funding to help the re-training of guide dogs in the new city centre. The lines of communication will be used to ensure that the needs of all users are considered when developing the projects, including the Upper Precinct public realm scheme.

7.5 Implications for (or impact on) the environment

7.5.1 The Upper Precinct scheme will have a positive impact on the environment in Coventry by improving the quality of pedestrian amenity and pedestrian routes within the city centre.

7.6 Implications for partner organisations

7.6.1 The public realm activities at Upper Precinct will need to be coordinated with works to be undertaken to the retail infrastructure by JP Morgan and SPG.

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Names of approvers for submission: (Officers and Members)				
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David Cockroft	Director of City Centre and Major Projects Development	Place	14/06/2018	19/06/2018
Martin Yardley	Deputy Chief Executive (Place)	Place	20/06/2018	21/06/2018
Councillor J O'Boyle	Cabinet Member for Jobs and Regeneration	-	22/06/2018	26/06/2018
Councillor J Innes	Cabinet Member for City Services	-	22/06/2018	27/06/2018

This report is published on the council's website: www.coventry.gov.uk/councilmeetings

Appendix A - Upper Precinct Public Realm Scheme Works

Council funded works

Scheme works	Cost
Removal of the "Elephants Trunk" entrance into West Orchards	£145,000
Removal of the ramps and bridge links across the Precinct	£1,151,000
Formation of new entrance feature in the existing Unit 24 Precinct (Moss Bros)	£1,620,000
Re-alignment of eastern run of units in the 1st floor of Orchard Link	£520,000
New fire access/escape corridors from terrace at 1st floor for Northern Block	£120,000
New access/escape core from terrace in the Southern Block	£82,000
New balustrading & lighting works to terrace on Northern & Southern Block	£142,500
New public realm works (Broadgate to M&S)	£3,495,175
Council on costs and additional contingency	£374,325
Total	£7,650,000

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Public report Cabinet Report

A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it contains information relating to the financial and business affairs of any particular person (including the authority holding that information) and the amount of expenditure proposed to be incurred by the Council under a particular contract for the supply of goods or services. The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

Cabinet

17th July 2018

Name of Cabinet Member:

Cabinet Member for Jobs and Regeneration - Councillor J O'Boyle

Director Approving Submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

All

Title:

Coventry Station Masterplan Programme Update

Is this a key decision?

Yes - it has the potential to affect all Wards within the City and expenditure is in excess of £1m

Executive Summary:

The Coventry Station Masterplan was approved by Cabinet in March 2015. It aims to meet the needs of a fast growing City and to create a fitting gateway to the City. An updated masterplan was approved by Cabinet on 24th January, 2017, with further approvals granted by Cabinet for the proposed procurement strategy on 28th November, 2017 and land acquisition on 13th February, 2018.

The Coventry Station Masterplan will deliver a new footbridge, extended canopies, bay platform, a new station entrance onto Warwick Road with shops, a multi-storey car park, bus interchange and new highway infrastructure. Following the award of City of Culture 2021, the project programme has been reviewed with a view to accelerate completion from summer 2021 to autumn 2020 to ensure the new station is ready to welcome visitors during 2021.

The recent tendering exercise for the footbridge and canopies has demonstrated significant inflation in the rail sector. In response to this an exercise has been undertaken to review the cost estimates for the rest of the programme, with a focus on scrutinising construction costs to benchmark against current market rates in order to provide an updated and robust cost overview. This report includes the proposed measures to manage cost and de-risk the programme to ensure the masterplan can be delivered within the approved £82m funding envelope.

The change in programme will result in 385 rail parking spaces being taken out of use during construction of the car park and bus interchange. To reduce the compensation claim from the car park operator, Virgin Trains, for loss of revenue, a temporary car park with 196 spaces is proposed south of Westminster Road. Cabinet approval is sought to add this car park to the Council's off street car parking order and to approve the proposal for reimbursing Virgin Trains for loss of revenue. The car park can be delivered within the £82m funding envelope and will provide an opportunity to generate income to reduce cost risk.

In order to further de-risk the project, the southern section of the proposed western link road connecting Central Six Retail Park to the Ring Road has been omitted from the scheme. This removes the risk of potential objections to the planning application from key stakeholders, a lengthy Compulsory Purchase Order process and a potentially significant compensation claim, which would be outside of the available project budget. The link road will be completed in a future phase of the Friargate Masterplan.

Cabinet approval is sought approve the addition to the masterplan programme of the extension of the pedestrian boulevard up to the front of the existing station entrance, which could potentially be funded from the contingency budget if funds allow, or alternatively additional funds will be sought.

Other value engineering options are being explored: the Bus Interchange could be value engineered by reducing the building size and internal fit out, to be delivered within the funding envelope. The revised scope would still be required to support the same capacity of buses serving the interchange and could also reduce the overhead for operational costs.

The Station Masterplan scheme also includes changes to the layout of the Station taxi rank, which is being relocated to create a traffic free route in front of the rail station. In order for the station franchise operator to continue to issue permits to taxi drivers to pick up passengers from the Station, Cabinet approval is required for freehold transfer of the piece of land edged red on the plan (Appendix 1) to Network Rail which is to be included in the new proposed taxi rank and within the operational station lease area.

Recommendations:

Cabinet is requested to:-

- (1) Note the award of a contract to Buckingham Contracting Ltd for the delivery of the new footbridge at a contract value of £9.3m with an appropriate level of contingency being set aside, the sum of which is stated in the private section of this report, allocated within the overall £82m funding envelope already approved.
- (2) Approve that the delivery of a section of the link road into Central Six Retail Park (as shown in Appendix 2 to the report) has been removed from the Coventry Station Masterplan programme of works for the purposes of de-risking the project.
- (3) Delegate authority to the Deputy Chief Executive (Place), following consultation with the Cabinet Member for Jobs and Regeneration, to finalise a revised scope within the Coventry Station Masterplan Programme scheme which delivers a revised Highway layout (illustrated in Appendix 2 to the report), an extension to the pedestrian boulevard (illustrated in Appendix 3 to the report), and potentially a reduction in scope of the bus interchange to keep the overall programme within the £82m funding envelope.

- (4) Delegate authority to the Deputy Chief Executive (Place), in consultation with Cabinet Member for Jobs and Regeneration and the Director of Finance and Corporate Resources, to manage the scheme and funding element as a whole programme, reallocating funds, including contingency between each work package to assist in programme delivery timescales.
- (5) Approve the undertaking of the necessary procedure to allow Westminster Road temporary car park (as shown in Appendix 4 to the report) to be added to the Council's Off-street Parking Places Order.
- (6) Approve that Westminster Road temporary car park is managed and operated by the Council as a pay and display car park and that the tariff structure introduced at Westminster Road car park is consistent with the charging structure at the nearby Grosvenor Road public car park and other long stay Council car parks in the city centre.
- (7) Approve within existing budgets the proposal to reimburse Virgin Trains for loss of revenue from rail car parking provisions during the construction phase and delegate authority to the Deputy Chief Executive (Place), in consultation with the Director of Finance and Corporate Resources, to agree the appropriate mechanism for paying Virgin Trains compensation due via the statutory Station Change process.
- (8) Approve freehold transfer of the piece of land edged red on the plan (Appendix 1 to the report) to Network Rail which is to be included in the new proposed taxi rank and within the operational station lease area to enable taxi permits to be issued
- (9) Approve in principle (following the construction of the bus interchange) the completion of a legally binding agreement between the City Council and West Midlands Combined Authority (Transport for West Midlands) or such other third party on a revenue cost neutral basis to the City Council for the operational management of the bus interchange. Any management arrangement for the bus interchange which does not result in a revenue cost neutral position for the City Council shall be brought back to the Cabinet for approval.
- (10) Delegate authority to the Deputy Chief Executive (Place), in consultation with the Cabinet Member for Jobs and Regeneration and the Director for Finance and Corporate Resources, to undertake all necessary due diligence and to finalise the terms of the management arrangement for the bus interchange on a revenue cost neutral position.

Appendices

Appendix 1: NR Plan

Appendix 2: Highway layout

Appendix 3: Boulevard Extension

Appendix 4: Westminster Road Car Park Boulevard Extension

Background papers:

None

Other useful documents:

Cabinet 16th August, 2011: Report - NUCKLE (Phase 1) – Submission of Best and Final Bid to DfT

Cabinet 30th August 2011: Report - NUCKLE (Phase 1) – s151 Officer Declaration for Best and Final Bid to DfT

Cabinet 3rd January 2012: Report - NUCKLE (Phase 1) – Project Cost and Funding Update

Cabinet 4th March 2014: Report - NUCKLE (Phase 1, Package 1)

Cabinet 3rd March 2015: Report - Coventry Station Regeneration and associated rail improvements

Cabinet 24th January 2017: Report - Connecting Coventry

Cabinet 24th January 2017: Report - Coventry Station Masterplan Update

Cabinet 28th November 2017: Report - Coventry Station Masterplan Procurement Strategy Update

Cabinet 13th February 2018: Report - Coventry Station Masterplan Land Acquisition

All of the above are available from the Council's website:

<http://moderngov.coventry.gov.uk/ieListMeetings.aspx?Committeed=124>

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Coventry Station Masterplan Update

1. Context (or background)

- 1.1 Coventry Railway Station has experienced very high rail growth, becoming one of the busiest stations on the West Coast Mainline, and passenger demand is forecast to continue to increase significantly, particularly with the Friargate development around the station. Passenger activity at the station is forecast to increase from circa 6.9m trips per annum today to 7.5m pa in 2023 and nearly 11m pa in 2043, contrasting with just 2.25m pa in 2001. The station has suffered from a lack of investment and is experiencing capacity issues that will start to increasingly displace passenger activity to other stations and modes of transport. This will undermine the role of the station in supporting city centre regeneration and its ability to attract and retain inter-city rail services, which significantly benefit the city economy. Consequently, working with the Coventry and Warwickshire LEP, WMCA, Friargate LLP and rail industry partners, the £82m Station Masterplan has been developed and is fully funded.
- 1.2 Coventry Station Masterplan will deliver extra capacity, improved interchange facilities and a better gateway to the city. The masterplan includes a new footbridge and canopy extension, NUCKLE 1.2 bay platform and associated track and signal work, a second station building, 644 space multi-storey car park and bus interchange, complemented by new highway infrastructure. The works will start in summer 2018 and will be completed by December 2020.
- 1.3 It should be noted that while Coventry Very Light Rail (VLR) is a separate project to the Station Masterplan the schemes are linked, as its intended the future VLR service will serve the railway station. The highway and new roundabout on Warwick Road will make passive provision to ensure VLR can be accommodated in the future.
- 1.4 The programme is currently at procurement stage, following approval of the Procurement Strategy Update report tabled at Cabinet on 28th November 2017. The first elements of the works to be undertaken are the substation alongside the footbridge and canopies, which will both start on site in summer 2018.
- 1.5 In order to successfully procure and deliver these improvements, the packages of work for the Station Masterplan have been grouped into five work packages as follows:
 - a) Footbridge and Canopies
 - b) Substation and Services
 - c) NUCKLE 1.2 (Bay Platform)
 - d) 2nd Entrance, Multi-Storey Car Park and Bus Interchange (referred to as Phase 2)
 - e) Highways
- 1.6 Following approval to procure from Cabinet on 28th November 2017, a procurement exercise was undertaken for the footbridge and canopies package. Buckingham Contracting Ltd have been awarded the contract at a value of £9.3m, with an appropriate level of contingency being set aside, the sum of which is stated in the private section of this report. While the contract value is over the original budget, it can still be delivered within the Masterplan funding envelope.
- 1.7 As a consequence of the tender exercise for the footbridge and canopies, it has become apparent that construction costs under this programme are at risk of significant inflation driven by pressures in the rail sector. In response to this a robust exercise has been undertaken to review and scrutinise costs for all work packages that form the masterplan programme and to identify measures to ensure delivery within the £82m approved programme.

Measures to de-risk programme and manage costs

- 1.8 The cost review has identified an increase in costs for some of the construction elements of the projects. This report includes the proposed measures to manage cost and de-risk the programme to ensure the masterplan can be delivered within the £82m funding envelope as outlined in the cost table set out in the private element of this report.
- 1.9 The revised cost plan also reflects contingency provision for additional risks that could be incurred in order to achieve the 2020 deadline. In order to achieve this target, additional project management resource is required increasing resource costs. In addition, contract values are anticipated to be slightly higher due to the restricted timescales for delivery. Note that by bringing forward the programme, some savings have also been factored into the latest cost estimates which reflect reduced contractor overheads as the construction timescales have been shortened. Importantly the changes to programme can be accommodated within the £82m funding envelope and no further funds are sought.

Temporary Car Park and Virgin Trains Compensation

- 1.10 During the construction of the Coventry Station Masterplan, a significant amount of the existing parking provision at the station that is used primarily by train passengers, rail station staff, and the occupants of Eaton House, will be taken out of use.
- 1.11 Virgin Trains expect to be compensated by the Council for loss of revenue as a result of the reduction in capacity. The compensation figure varies depending on 1) the presumed value of each space lost and 2) the quantity of lost spaces.
- 1.12 The current phasing of the works requires a maximum of 385 car park spaces to be taken out of use. Without mitigation this would have a massive impact on use of the station (an economic dis-benefit for the City), such that Virgin could refuse to accept the loss of 385 spaces as it would undermine the viability of the station. This would cause programme problems as it would mean that the station works would not be completed before City of Culture 2021.
- 1.13 In order to allow all of the works to proceed without delay, and to minimise the amount of compensation payable by the Council, it is envisaged that an alternative temporary replacement car park is required from September 2018 until the Station Masterplan is completed at the end of 2020.
- 1.14 A site to the west of Warwick Road in Westminster Road has been identified (see Appendix 4 to the report) and will be designed and redeveloped to operate as a pay and display car park. The land is owned by Friargate Coventry LLP, who have agreed to lease the land to the City Council in exchange for 38 spaces to be provided for Eaton House use at nil cost.
- 1.15 The Westminster Road temporary car park will accommodate up to 234 cars with 38 car spaces reserved for Eaton House, which means that there will be available for use by rail passengers and the general public a total number of 196 car spaces.
- 1.16 Cabinet authority is therefore required to add Westminster Road car park to the Council's Off-street Parking Places Order to enable the Council's Parking Services to manage and operate the new temporary car park in line with other car parks operated by CCC as well as generate revenue to be used to mitigate the compensation amount payable to Virgin Rail.
- 1.17 It is proposed that instead of paying a lump sum compensation (which could be up to the value of £2.9m if no replacement parking was provided) the Council will pay Virgin Trains the net income generated by the Council from the Westminster Road car park (less operating costs) and also pay any shortfall associated with the loss of income, which should amount to no more than £393,000 and can be funded from within the funding envelope.

- 1.18 The resultant total value of the compensation amount payable will be determined by a comparison of each period's car park revenue to the equivalent period of the previous year, inflated by 4%, and the amount of any shortfall will be paid as compensation to Virgin from the City Council.
- 1.19 Cabinet is requested to approve the proposal and delegate authority to the Deputy Chief Executive (Place), in consultation with the Director of Finance and Corporate Resources, to agree the mechanism for paying Virgin Trains compensation as set out above for the loss of car parking during construction.
- 1.20 Officers will continue to negotiate with Friargate LLP about the possibility of the car park being retained after 2020 to provide an overspill car park for City of Culture 2021 (subject to the site not being required at this time for new development by Friargate Coventry LLP). Should this be achieved, once the new multi storey car park for the rail station is opened the Council will be able to retain all of the revenue generated from the temporary car park onwards.

Highways

- 1.21 A two way link road connecting Central Six retail park to the ring road off slip was intended to be delivered as part of the Station Masterplan scheme. This was subject to land acquisition as part of the proposed link road which falls on private land and specifically impacting on Central Six car parking which is subject to a long lease. Cabinet approved the use of a Compulsory Purchase Order (CPO) in February 2018 to acquire the land required if this couldn't be achieved by negotiation. Negotiation has been ongoing with the long lease holder, the managing agent for Central Six Retail Park, along with Friargate Coventry LLP, who own the freehold. Due to the detrimental impact on car parking capacity and service access, the long leaseholder has advised they are unable to support this section of the link road as this could ultimately make the units affected unlettable.
- 1.22 If the Council used Compulsory Purchase Order powers to retain the link road as part of the scheme, there is a high risk of an objection from the long lease holder, which would prolong programme delivery and put the Council at risk of significant compensation payable to those land owners for their loss of parking and potential resultant inability to let three of their units.
- 1.23 Alternative options have been explored to de-risk the project, and it has been concluded the northern extent of the link road can still be delivered. This will deliver a two way road linking Westminster Road to the ring road, which will include a left turn from Warwick Road onto Westminster Road and an exit only from Central Six onto Westminster Road as shown on Appendix 2 to the report. Traffic operations in the area will be monitored and measures will be implemented if necessary to ensure the revised layout doesn't lead to rat running. This will still achieve the objective of unlocking the development site to the north of Central Six which is identified to deliver over 400 new homes within the Friargate Masterplan, and provide additional network resilience without putting the Council at risk of a CPO and high compensation claims. Cabinet are requested to note that a Traffic Regulation Order will be required to remove the one way order from the eastern end of Westminster Rd.
- 1.24 The removal of the southern section of link road releases funding which can be reinvested in the other areas of the project where costs have increased or potentially to fund the extension of the pedestrian boulevard in front of the existing station entrance, as indicated on Appendix 3 to the report. This will create a traffic free route in front of the station.
- 1.25 Cabinet's authority is therefore required to approve the revised highway layout of the scheme.

Bus Interchange

- 1.26 The Bus Interchange could be value engineered by reducing the building size and internal fit out, to be delivered within the funding envelope. The revised scope would still be required to support the same capacity of buses serving the interchange and could also reduce the overhead for operational costs.
- 1.1 It is envisaged that once the bus interchange is constructed, the completion of a legally binding agreement, if required, between the City Council and West Midlands Combined Authority (Transport for West Midlands) will be established on a revenue cost neutral basis for the operational management of the bus interchange. TfWM already operate Pool Meadow bus station, therefore there will be synergies and cost efficiencies if they operate both facilities, in addition they are very experienced in managing bus stations across the West Midlands. Any management arrangement for the bus interchange which does not result in a revenue cost neutral position for the City Council shall be brought back to Cabinet for approval.

Pedestrian Boulevard

- 1.2 It's always been an aspiration of the Friargate Masterplan to extend the pedestrian boulevard up to the front door of the existing railway station. It is proposed to deliver this extension as part of the Station Masterplan project. The extension will create a traffic free route in front of the railway station, which will be made possible by changes to the location of the taxi rank and bus interchange, alongside re-routing of traffic around the railway station.
- 1.3 The projected cost of delivering the boulevard extension is £0.9m. It is proposed to potentially use programme contingency if available to fund this, alternative funding sources are also being explored.

Taxi Rank

- 1.4 The Station Masterplan scheme also delivers changes to the layout of the Station taxi rank, which is being relocated to improve the pedestrian experience.
- 1.5 In order for the station franchise operator to continue to issue permits to taxi drivers to pick up passengers from the Station, Cabinet approval is required for freehold transfer of the piece of land edged red on the plan (Appendix 1 to the report) to Network Rail, which is to be included in the new proposed taxi rank and within the operational station lease area.

2. Options considered and recommended proposal

In order to progress the delivery of the Station Masterplan within the £82m funding envelope given the increase in construction costs and programme risk the following options have been considered.

Option 1: Omit an element of the scheme

This option could include omission of one of the packages of works such as the highways or bus interchange to deliver cost and programme savings. However, a key objective of the Station Masterplan is to deliver a multi-modal transport interchange, therefore omission of any of the key elements such as the bus interchange or highways improvements will mean this is not achieved and will reduce the overall passenger benefits and capacity for modal shift that the scheme is striving to deliver. Additionally, the Station Masterplan programme is grant funded and based on delivering key outputs. If an element was omitted, there is a risk that the grant funding available for this could be withdrawn, rather than reallocated to the wider programme.

Option 2: Reduce quality specification of scheme

This option could involve reduced quality specification of elements of the Station Masterplan, such as cladding and materials. This option is not considered feasible as another key objective of the project is to create a high quality gateway to the city and any reduction in the quality of materials used will risk this objective not being achieved and undermine the impact of £82m investment in the station infrastructure.

Option 3: Seek additional funding

If the original scope of works is to be delivered, additional funding will need to be sought. One option could be to increase prudential borrowing, however this presents more risk to the Council and the preference would be to maintain delivery of the scheme within the existing £82m funding envelope, managing costs and risks accordingly.

Option 4: Preferred Option

This option strives to achieve a balance in terms of ensuring all of the elements of the scheme are delivered to a high quality standard, but omitting some elements within specific packages in order to maintain delivery costs within the existing funding envelope and de-risk programme. This option will still deliver all programme outputs in terms of increasing capacity at the rail station through the new station building, footbridge and car park, maintaining the proposed service capacity for the bus interchange while making some changes to the building to reduce costs but maintaining a high quality finish to complement the rail infrastructure, and delivering new highways in order to improve operation of traffic around the railway station alongside a new link road to improve network resilience and unlock development land. This option de-risks any loss of grant funding. The omission of the section of link road in Central 6 will significantly de-risk programme as it reduces the likelihood of a CPO being required to deliver the works.

3. Results of consultation undertaken

- 3.1** The proposals have been clearly set out in public papers, agenda's and reports of both the Coventry and Warwickshire Local Enterprise Partnership and the West Midlands Combined Authority Movement for Growth Strategy, the funding bodies which have allocated funding. Additionally Coventry City Council's Business, Economy and Enterprise Scrutiny Board (3) considered the principles of the proposed scheme during a public meeting in April 2014 (their minute 59/14 refers).
- 3.2** Additionally the NUCKLE scheme is well known and subject to regular press coverage and a number of previous public committee reports.
- 3.3** Pre-planning public engagement will take place ahead of submission of planning applications for the scheme.

4. Timetable for implementing decisions

- 4.1** In order to deliver the programme ahead of City of Culture, the decisions will be implemented with immediate effect.
- 4.2** The temporary Westminster Road car park will be constructed in August 2018 and will be operational from September 2018, subject to the approval of the requests in this report and the expiry of the call-in period, the statutory notice / objection process, and there being no objections to the proposal.

5. Comments from the Director of Finance and Corporate Resources

5.1 Financial Implications

The report is seeking approval to deliver a revised programme based against revised programme cost estimates, which includes for the reallocation of contingency to fund an acceleration of programme. At this stage therefore, there is an expectation that the existing £82m approved budget is sufficient to accelerate the programme and deliver the works to meet the City of Culture deadline within the project governance, as demonstrated by the table shown in the private element of this report. Any changes which increase the tender prices above the £82m approved budget would be brought back to the Cabinet/Cabinet Member for approval as required by the constitution.

With regard to Westminster Road temporary car park, an initial capital expenditure estimated to be an amount set out in the private element of this report, including resurfacing and line marking of the car park, the procurement of car park machinery and signage etc., will be funded within the approved Coventry Station Masterplan Budget.

The recommendations in this report are revenue cost neutral to the Council. Any revenue costs associated with the management of the car park will initially be incurred as a day-to-day operational running cost to Parking Services. However, these costs will be funded from car park revenue generated from the additional 196 proposed spaces, the net income after costs being passed to Virgin Trains.

Compensation to Virgin Trains will be calculated by assessing the resultant total value (Virgin car park income plus net amounts received from the Council) compared to the equivalent period of the previous year car park revenue, inflated by 4%, with the difference (if any) being paid as compensation to Virgin from the Coventry Station Masterplan budget.

A table showing the estimated annual operating costs and income is provided in the private element of this report.

The arrangement with Virgin Trains noted above also has the benefit that it does not require the Council to compensate Virgin for lost fares revenue as a result of the disruption, minimising capital project costs.

Any income resulting from Parking Contravention Notices will be managed in accordance with S.55 Road Traffic Regulation Act 1984.

Any income generated by the temporary car park once the new Rail Station Multi Storey Car Park is open, can be retained by Coventry City Council (subject to the site not being required for development)

5.2 Legal Implications

The Local Authority has wide powers to enter into arrangements such as those proposed in this report. Under Section 111 of the Local Government Act 1972 a local authority, such as Coventry City Council and its partner, Warwickshire County Council, has powers to do anything calculated to facilitate, or is conducive or incidental to the discharge of its functions. The Local Government (Contracts) Act 1997 also gives power to Local Authorities to enter into contracts with third parties.

Coventry City Council and Warwickshire County Council can use the general power of competence under the Localism Act 2011 to enable them to go ahead with the proposed scheme. This allows the authority to do anything which an individual may do which is only subject to any specific restrictions set out in any legislation, of which there are none in respect of the proposals set out in this report.

Coventry City Council will be required to submit a planning application in order to seek permission for the delivery of the temporary car park, bus interchange and the highway infrastructure changes.

Under Sections 32 and 33 of The Road Traffic Regulation Act 1984 the Council has powers to enable it to provide off-street parking places on land it leases to others and to share income in return.

Regulating the use of Westminster Road car park through an Off Street Parking Order gives the Council charging and enforcement powers.

Prior to undertaking the management of the car park and in accordance with the Road Traffic Act Regulations 1984 (as amended), the Council is required to advertise a Notice of Proposals setting out its intention to add Westminster Road car park to the City of Coventry (Off-Street Parking Places) Order 2005 (as amended).

The variation of such an order is subject to a statutory notice/objection process and the due consideration of any objections received. The charges for using the car park can be varied from time to time by the Council subject to giving public notice.

Procurement Implications

The Council will be undertaking all procurement of the works packages proposed above in line with the Council's Rules for Contracts and all applicable United Kingdom and European procurement legislation which apply to the procurement of works, supplies or services.

Invitations to tender (ITT) will be issued in Summer 2018 to procure a contractor for the delivery of phase 2 (which comprises the new station building, multi-storey car park, bus interchange) and for the NUCKLE bay platform.

The Highways aspect of the scheme is anticipated to be procured in 2019 on a build only basis.

State Aid Implications

In the railway sector the responsibility to operate and manage the main national railway network is typically the responsibility of the State, either through an administrative body or by a public undertaking, in most cases under a legal monopoly, which within the UK is Network Rail. As the management and operation of the main rail infrastructure networks within the EU are generally carried out in national, geographically closed and separated markets that are not subject to competition, public financial support made available to infrastructure managers is generally not liable to affect trade between Member States. Therefore the Council considers that state aid is not applicable to Coventry Station Masterplan as it is of the view it does not affect competition and trade between Member States in relation to the investment into the construction, maintenance and management of general railway infrastructure.

6. Other implications

The City Council has taken advantage of recent changes in railway regulations to become a 'station investor' at Coventry station. Taking this role means changes to the station layout to implement the various elements of the Masterplan can be proposed; the scope of change can be managed directly with the relevant rail industry stakeholders; any compensation for disruption caused can be negotiated directly with the affected party; and for a five year period it will mean that Coventry City Council becomes a consultee on any other parties change proposals for the station.

6.1 How will this contribute to the Council Plan www.coventry.gov.uk/councilplan/?

A prosperous Coventry with a good choice of jobs and business opportunities for all the city's residents.

This scheme improves the links through the designated regional investment priority zone, bringing people, from the north of the zone, to the city centre and the heart of the Friargate development.

Making places and services easily accessible for Coventry people

The Coventry to Nuneaton corridor suffers from traffic congestion. The population density and level of activity in the corridor is growing and will create increasing demand for transport. There are large scale redevelopments planned in Coventry city centre and redevelopment around the Ricoh Arena continues. This scheme will provide a credible public transport option, now and in the future, for travel along the corridor and enable robust green travel plans to be implemented.

Improving Coventry's environment and tackling climate change

The scheme would provide a credible public transport service that would make modal shift to rail travel a reality; therefore reducing the number of people using the congested highway, and reducing the CO² emissions; therefore improving the impact on the environment.

6.2 How is risk being managed?

Arrangements are in place within the Place Directorate to deliver the accountable body role ensuring that procedures are in place to manage risk. There is a robust governance structure in place for the programme whereby risks are managed by programme and project team level and reported to board. Regular risk workshops are undertaken on all projects to ensure active monitoring and management. Standard rail industry procedures and appropriate contractors and contracts will be used throughout.

Financial risk to the Council will be managed through the establishment of an appropriate legal commitment between the partners and contractors, specifying both capital and revenue contributions, and the establishment of a risk sharing basis.

6.3 What is the impact on the organisation?

HR Implications

Managing complex rail projects requires a significant level of expertise not normally held within Local Authority. Consequently a specialist client side rail project management company has been commissioned to provide a team of senior Officers from Place and People Directorates with appropriate support. The Officer team comprises representatives from finance, legal and transport and property teams.

6.4 Equalities / EIA

A significant part of the scheme appraisal process used to secure funding assesses the impact of equality. Equality impact assessments are in place and there is a stakeholder management plan in place to ensure mobility groups are consulted throughout the design and construction of the works. All aspects of the scheme will be Equality Act 2010 compliant. Safe pedestrian accessibility between the existing station and the temporary car park will be provided and provision is made within the new station building for Changing Places and disabled toilets.

6.5 Implications for (or impact on) the environment

A significant part of the scheme appraisal process used to secure funding assesses the impact of environment. This has been demonstrated through the submission to the funding bodies. The scheme has clear environmental benefits in terms of providing an enhanced public transport interchange to encourage modal shift.

6.6 Implications for partner organisations?

The schemes are jointly promoted by CCC, Warwickshire County Council and the Coventry and Warwickshire Local Enterprise Partnership.

Network Rail and Friargate LLP, as important stakeholders, are involved in the progression of the scheme.

If the scheme is not delivered the CWLEP area will lose one of its priority schemes.

The scheme is also important on a regional level in terms of connectivity to UK Central and HS2. The City Council is working closely with Transport for West Midlands on both of these regionally and nationally important schemes. A full business case has recently been approved by West Midlands Combined Authority for the remaining funding for the scheme. Finally the station is also an important connection within Midlands Connect which is striving to better connect the East and West Midlands, and opportunities are being explored to improve cross country services at Coventry Station.

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Colin Knight

Director Transport and Highways

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Tel: 02476 834001

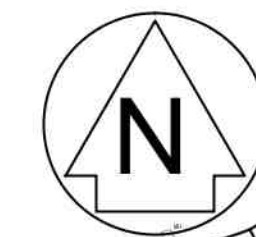
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DO NOT SCALE



- KEY:
- TAXIS OUT
 - TAXIS IN
 - ▬▬▬▬▬▬ TAXIS OUT ROUTE OUT UNTIL ROAD BETWEEN PLOTS C10 AND R06 IS AVAILABLE
 - ▬▬▬▬▬▬ TAXIS IN ROUTE UNTIL ROAD BETWEEN PLOTS C10 AND R06 IS AVAILABLE
- NOTES:

1. LAYOUT SHOWN IS THAT WHICH IS ASSUMED TO EXIST IN THE PERMANENT SITUATION WHEN FRIARGATE IS FULLY DEVELOPED WITHIN THEIR LAND.
2. THE LAYOUT DOES NOT SHOW INTERIM SOLUTIONS WHEN STATION ROAD IS STILL OPEN ACROSS THE BOULEVARD, ONLY PLOT C09 AND C10 BUILT AND OCCUPIED.
3. PROVISION FOR THE PARKING OF TAXIS ONLY IN DESIGNATED AREAS WILL NEED TO BE ENFORCEABLE BY TRAFFIC REGULATION ORDERS.
4. NO TRAFFIC REGULATION ORDERS ARE UNDERSTOOD TO BE REQUIRED FOR THE INSTALLATION OF THE MINI ROUNDABOUTS AS THEY DO NOT CHANGE THE OPTIONS AVAILABLE TO THE DRIVER I.E. NO NEW RESTRICTIONS ARE INTRODUCED.
5. QUEUING SEQUENCE: PEN 1-PEN 2-AREA 1-AREA 2-AREA 3 AND ALLOWS FOR 1 PICK UP, 7 IN PEN 1, 9 IN PEN 2, 6 IN AREA 1, 11 IN AREA 2 AND 14 IN AREA 3 (47 IN TOTAL).

ONE WAY (2 LANES) ACCESS ACROSS BOULEVARD

PROPOSED HIGHWAY ARRANGEMENT

C09

R07

C10

R06

THIS SECTION OF CARRIAGEWAY ASSUMED NOT AVAILABLE UNTIL ADJACENT PLOT R06 IS COMPLETED SO ALTERNATIVE ROUTE SHOWN AS PER KEY

2

EXISTING JUNCTION REPLACED BY MINI-ROUNDABOUT WITHIN CURRENT HIGHWAY BOUNDARIES (BY OTHERS)

PEN 2

PEN 1

DESIGN OF THIS AREA IN ABEYANCE AT THIS TIME BUT BOTH PARTS OF STATION SQUARE TO BE STOPPED UP. BOULEVARD TO EXTEND TO EXISTING STATION BUILDING

TAXI RANK

PROPOSED SUBSTATION LOCATION

NETWORK RAIL SCHEME BOUNDARY

EXISTING CAR PARK

EXISTING STATION BUILDING

EXISTING JUNCTION REPLACED BY MINI-ROUNDABOUT WITHIN HIGHWAY BOUNDARIES (BY OTHERS)

REV	DATE	BY	DESCRIPTION	CHK	APP
P04	29.09.2017	KP	PEN 2 MOVED TO OTHER SIDE OF ACCESS AND STRIP WIDENING ADDED	RF	RF
P03	28.09.2017	KP	OUTLINE OF R08 AND R05 REMOVED, ROUTES OVER STONEY LANE BRIDGE REMOVED, ACCESS VIA EXISTING PARK AVENUE NOW SHOWN, PEN 2 SWITCHED TO OTHER SIDE AS NO. 2 PARK HOUSE NOT IN FRIARGATE'S	RF	JM
P02	11.09.2017	KP	AMENDED POST ARUP COMMENTS FROM P SMITH AND MINI WORKSHOP ON 06.07.17	RF	JM
P01	24/08/2017	AJA	FOR DISCUSSION	RF	RF

DRAWING STATUS: FOR DISCUSSION



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PROJECT: COVENTRY STATION: MASTERPLAN
TITLE: Rugby & Birmingham Line ELR: RBS1 Mileage: 93m 79ch
COVENTRY STATION MASTERPLAN TAXI PROPOSALS

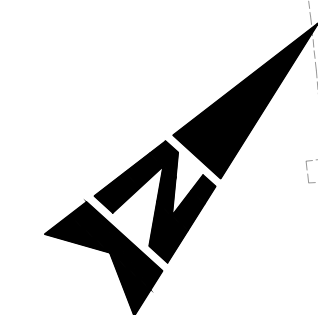
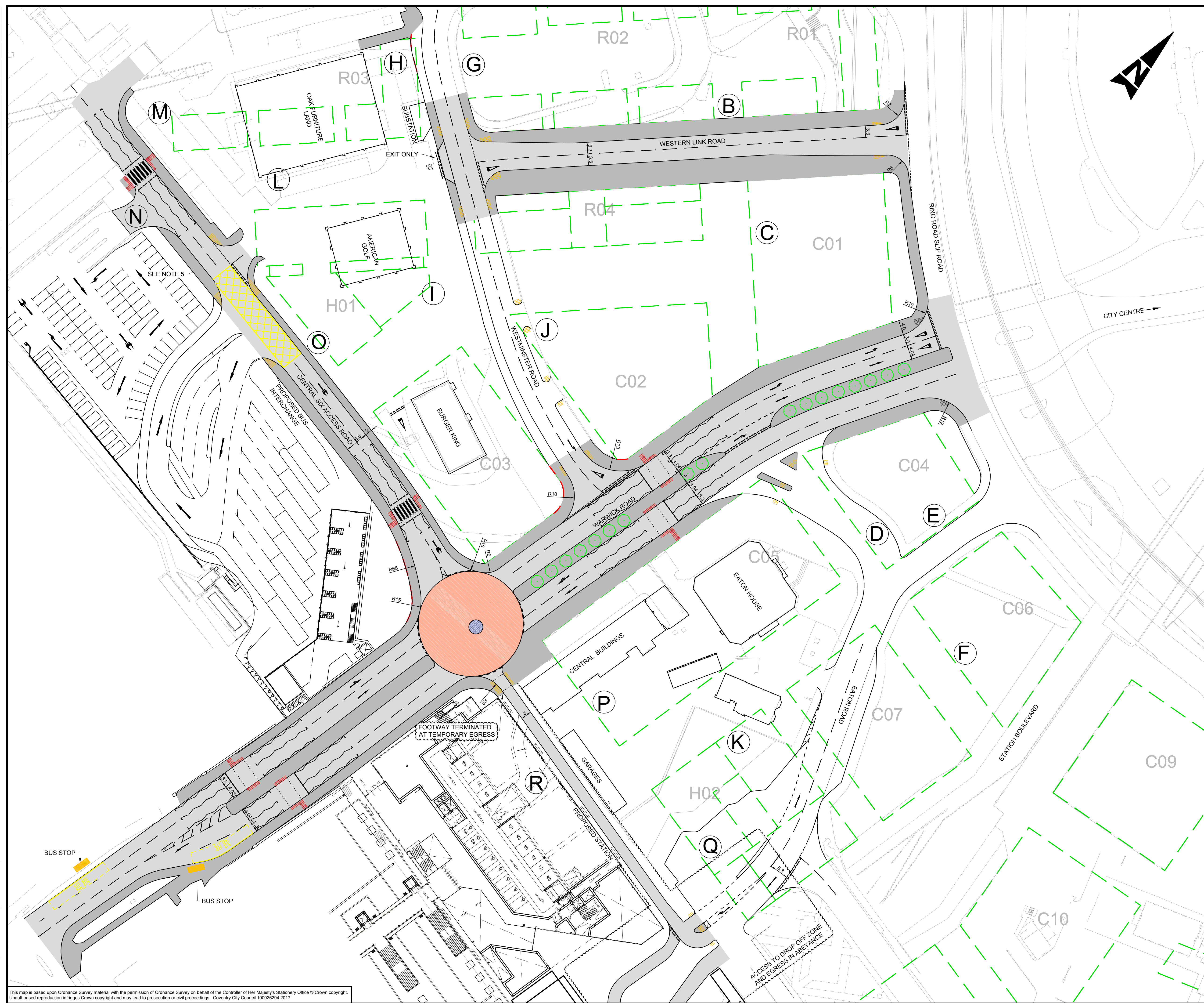
SCALE @ A1: NOT TO SCALE	CHECKED: R FINCH	APPROVED: R FINCH
CAD FILE: 70029838-CMP-FIGURE001.P04.DWG	DESIGN-DRAWN: VARIOUS	DATE: AUGUST 2017
PROJECT No: 70029838	DRAWING No: FIGURE 001	REV: P03

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DO NOT SCALE

Millimetres
0 10 100



- NOTES:
- THIS DRAWING IS A CONCEPT HIGHWAY LAYOUT ONLY.
 - FOR DETAILS OF ROAD LABELS AND DESIGN PARAMETERS, REFER TO TECHNICAL NOTE 5156320-ATK-HGN-ZZ-RP-D-0001.
 - ROADS A, C, G AND J ARE TO BE DESIGNED IN A FUTURE STAGE BY OTHERS (ALL ROADS NOT SHOWN).
 - THE STATION BUILDING, MULTI STOREY CAR PARK AND BUS INTERCHANGE ARE NOT PART OF THIS COMMISSION AND ARE DELIVERED BY OTHERS.
 - PROPOSED RAISED TABLE JUNCTION AND FLUSH LEVEL KERBS.

- KEY:
- (A)** ROAD LABELS
 - ROADS - ASPHALT SURFACE
 - FOOTWAYS - ASPHALT SURFACE
 - ROAD - RED COLOUR ASPHALT SURFACE
 - CENTRAL DISC - IMPRINT PAVING
 - PROPOSED TREES - FINAL LOCATION TO BE CONFIRMED DURING DETAILED DESIGN (SUBJECT TO VLR REQUIREMENTS)
 - TACTILE PAVING TO CCC SDS 11.08 (RED, BUFF OR CHARCOAL)
 - C04** PROPOSED BUILDING NUMBERS
 - INITIAL PROPOSED BUILDING FOOTPRINT
 - ADJUSTED BUILDING FOOTPRINT

SAFETY, HEALTH AND ENVIRONMENTAL INFORMATION

In addition to the hazards/risks normally associated with the types of work detailed on this drawing, note the following significant residual risks (Reference shall also be made to the design hazard log).

Construction
REFER TO TECHNICAL NOTE 5156320-ATK-HGN-ZZ-RP-D-0001.

Maintenance / Cleaning
REFER TO TECHNICAL NOTE 5156320-ATK-HGN-ZZ-RP-D-0001.

Use
REFER TO TECHNICAL NOTE 5156320-ATK-HGN-ZZ-RP-D-0001.

Decommissioning / Demolition
REFER TO TECHNICAL NOTE 5156320-ATK-HGN-ZZ-RP-D-0001.

Rev.	Date	Description	By	Chk'd	App'd
P08	11/05/18	CHANGE TO JUNCTION, REMOVED ROAD L, CHANGE OF ROAD MARKINGS	US	GS	
P07	21/03/18	PEDESTRIAN CROSSINGS ALTERED FOLLOWING DESIGN MEETING	JS	US	
P06	16/03/18	RIGHT TURN LANE INTRODUCED ON WARWICK RD AS INSTRUCTED BY CCC.	DG	US	TVDH
P05	23/02/18	CHANGED ROUNDABOUT TO SIGNAL CONTROLLED LAYOUT AND CROSS SECTION TO SUIT VLR.	US	PW	TVDH
P04	11/10/17	REVISED SHARED SPACE JUNCTION LAYOUT	US	TVDH	TVDH
P03	19/09/17	ADDED CROSSING POINTS, AMENDMENTS TO KERB LINES AND ROAD MARKINGS.	US	PW	TVDH
P02	22/06/17	CHANGES TO ALIGNMENT TO SUIT INTERIM PHASE	US	PW	TH
P01	01/06/17	FIRST ISSUE	US	TVDH	AW

Drawing Status: **FOR REVIEW & COMMENT** Suitability: **S3**

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Client:
WEST MIDLANDS HIGHWAYS ALLIANCE

Project Title: **COVENTRY CITY COUNCIL FRIARGATE WEST MASTERPLAN DEVELOPMENT**

Drawing Title: **PROPOSED HIGHWAY LAYOUT PHASE 'A'**

Scale	Designed / Drawn	Check	Approved	Authorised
1:500	US	TV	AW	AW
Original Size	Date	Date	Date	Date
A1	01/06/17	01/06/17	01/06/17	01/06/17
Drawing Number	Project	Originator	Volume	Project Ref. No.
5156320-ATK-HGN-ZZ-SK-C-0008				P08
Location	Type	Role	Number	Revision
				P08

Plotted by: sara6149 Date: May 14, 2018 - 2:26pm

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Public Report Cabinet report

Cabinet

17th July 2018

Name of Cabinet Member:

Cabinet Member Jobs and Regeneration – Councillor J O’Boyle

Director Approving Submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

Holbrooks / Longford

Title:

Grant of Lease of Car Park C, Ricoh Arena.

Is this a key decision?

Yes – Geographically the site sits within Holbrooks Ward but affects the Ricoh Arena development located in the adjacent Longford Ward. The success of the Arena has the ability to affect the whole of the City.

Executive Summary:

The development of a new hotel on Car Park C at the Ricoh Arena has been a long term ambition of the Council. It is recognised that additional hotel accommodation will support events and conferencing at the Ricoh Arena but more importantly across the city as a whole.

Car park C remains in Council ownership. It is located opposite the Ricoh Arena and Arena Park developments on the western side of the A444. The site extends to approximately 3.5 ha (8.6 acres) and is mainly used for events parking for cars and coaches associated with the Ricoh Arena and is accessed directly from the A444.

Wasps Holdings Ltd (WHL) has recently approached the Council to request the grant of a new long lease over Car Park C in order to facilitate the development of an up to 150 bed hotel. This report sets out the proposed terms of such a lease, and the protections to be put in place to secure the Council’s position.

Recommendations:

Cabinet is requested to:-

1. Approve the grant of an initial licence over Car Park C (shown edged red on Plan 1 at Appendix 1) to WHL, on income sharing terms to expire no later than 30th November 2019.

2. Approve the grant of a long lease of the area shown edged red on Plan 1 at Appendix 1 to WHL, which shall be co-terminus with the lease on the remainder of Ricoh Arena, to facilitate the development of the new hotel subject to planning consent for the development of a hotel being granted.
3. Approve the grant of a car parking licence to WHL over the Leisure Land (shown edged red on Plan 2 at Appendix 1) in order to provide additional car parking to support the Ricoh Arena and to provide replacement car parking during the construction of the hotel
4. Delegate authority to the Director of Project Management & Property Services following consultation with the Cabinet Member for Jobs & Regeneration, to finalise the terms of the licence and lease subject to this report and for any subsequent variation in terms.
5. Delegate authority to the Head of Legal Services to execute all the necessary documentation for the initial licence, option and lease referred to in this report.

List of Appendices included:

Appendix - Plans 1 and 2

Background papers:

None

Other useful documents

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Grant of Lease Car Park C, Ricoh Arena

1. Context (or background)

- 1.1 Car Park C was acquired by the Council in 2003 to assist with the development of the Arena and currently forms a surface car park for approximately 750 cars and some additional coach parking, to support concerts, conferences, sports and other events.
- 1.2 Presently, there are only a limited number of hotel bedrooms (circa 120) within the Ricoh Arena itself. This constrains the conferencing/exhibition business at the Ricoh. Further local hotel rooms are required to support the future projected growth of the Arena and the wider city events programme leading up to and during Coventry's City of Culture 2021.
- 1.3 A number of proposals for the development of a hotel on Car Park C have been made over a number of years but none has ever been delivered.
- 1.4 Accordingly and in order to obtain an objective view on the feasibility of the WHL proposal independent hotel/hospitality industry consultants and independent valuers were instructed to carry out a viability appraisal and valuation of the site based on the proposals. These reports informed the commercial arrangements proposed in this report.
- 1.5 As the proposal for a hotel has been subject to a number of false starts in the past it is proposed that the Council secures a buy back provision in the lease requiring the surrender of the lease back to the Council in the event that the hotel is not delivered.
- 1.6 The delivery of a hotel on Car Park C is likely to sterilise this car park for up to 2 years during construction. Accordingly, it is proposed that the Leisure Land is utilised as a temporary car park until such time as the hotel is completed. It is therefore proposed that the Council enters into a licence with WHL to allow the use of the Leisure Land as a temporary car park on a revenue share basis.

2. Options considered and recommended proposal

Option 1

The proposal is for WHL to enter into a licence to expire on 30 November 2019 during which time they will be obligated to apply for planning consent for an up to 150 bed hotel. During this period they will operate the car park, paying the Council a proportion of the net car parking receipts. WHL will simultaneously enter into an option to take a long lease of Car Park C at a capital premium, co-terminus with the lease on the remainder of Ricoh Arena. WHL will only be able to enter into this lease if planning consent has been granted

In the event that the development has not commenced within 2 years or achieved practical completion by the fourth anniversary, then the Council can require the surrender back to the Council of the long lease, repaying the premium paid less 5%.

The proposal is conditional upon there being no areas of contamination requiring remediation.

This is the preferred option which delivers the Council market value, supports the future growth of the regionally important Ricoh Arena, seeks to deliver an additional hotel prior to City of Culture 2021 and limits the risk associated with achieving this, to the Council.

Option 2

The Council negotiate a lease with WHL to operate the car park. This option does not deliver the hotel.

Option 3

The Council operates the car park itself. This option could deliver income but will bring with it car park security and management issues and will compete against the Arena as a car park provider. It will not support the development of the Arena and will not deliver an hotel.

Option 4

The Council tries to sell the site for hotel development. Without synergy with the Arena, demand from hotel operators is not expected to be strong and even if an operator could be found, it is unlikely to deliver a hotel by 2021.

3. Results of consultation undertaken

- 3.1** Extensive consultation has taken place previously in respect of the earlier hotel development proposals with the local community, where various concerns were raised including the height of the buildings and parking issues. It is intended that the hotel operator / developer will, working through the local ward councillors engage with the community via a public display and meeting to discuss the new proposed scheme ahead of any planning application. This will be in addition to any statutory public consultation relating to any planning application.

4. Timetable for implementing this decision

Complete the licence and option within 3 months and have executed the long lease within 12 months.

5. Comments from Director of Finance and Corporate Resources

5.1 Financial implications

Should the initial licence be completed, the Council will receive a share of the net car park income. This will cease at the earlier of November 2019 upon the expiration of the licence or when WHL enter into the long lease and pays the capital premium.

The proposed rental and capital premium will help support the ongoing provision of Council services.

5.2 Legal implications

The Council is under an obligation to obtain the best price reasonably obtainable in accordance with section 123 of the Local Government Act in respect of disposals of interests in land and property. In this respect, the Council and WHL jointly commissioned GVA to assess market value of the proposed long leasehold interest for the purposes of S.123 of the Local Government Act 1972 and accordingly, the capital premium represents best consideration.

The City Council's has a duty not to grant State aid without first notifying the EU Commission. It is not considered that within these proposals that State Aid has been granted so no notification to the EU Commission is required. The independent hotel/hospitality industry consultants and independent valuers were instructed to carry out a viability appraisal and

valuation of the site based on the proposals. The EU Commission's Notice on State aid states that: "an independent expert evaluation prior to the sale negotiations to establish the market value on the basis of generally accepted market indicators and valuation standards is in principle satisfactory."

Officers within Legal Services will prepare, negotiate and complete the necessary legal agreement to achieve the approach set out in this report.

6. Other implications

None

6.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)?

The delivery of the hotel as part of the expansion of the Arena development will help achieve a number of the priority themes of the 'Globally connected' and 'Delivering our priorities' within the Council Plan. These include: -

Supporting businesses to grow – WHL offer a range of sports and conference events, together with major concerts and leisure facilities. The provision of additional hotel accommodation will increase the appeal and hence demand for the offer, increasing revenue and supporting the business. It also provides local business with new opportunities to provide goods and services to the new hotel operations.

Raising the profile of Coventry and Arts, sports & cultural opportunities – Ricoh Arena is already a regionally important facility as the home of Wasps and Coventry City Football Club and as a venue for major conferences and concerts, such as the Rolling Stones and Bruce Springsteen. The additional hotel accommodation will improve the offer of the venue and help raise its profile, Ricoh Arena will play a key role in City of Culture 2021.

6.2 How is risk being managed?

The risks have been identified earlier in the report.

6.3 What is the impact on the organisation?

Officer time in the Place Directorate will be allocated to deal with the preparation and completion of the legal documentation.

6.4 Equalities / EIA

An equality impact assessment was undertaken for the Local Plan however an EIA has not been undertaken by officers for the proposal set out in this report as it relates to the granting of or the creation of a legal interest in the land and does not constitute a change in service delivery policy or the exercise of a public function.

6.5 Implications for (or impact on) the environment

The subsequent impact on the environment through the redevelopment of the site for a hotel will be in accordance with the Council's planning policies for sustainable development.

6.6 Implications for partner organisations

There is no impact on partner organisations.

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Directorate:

Place

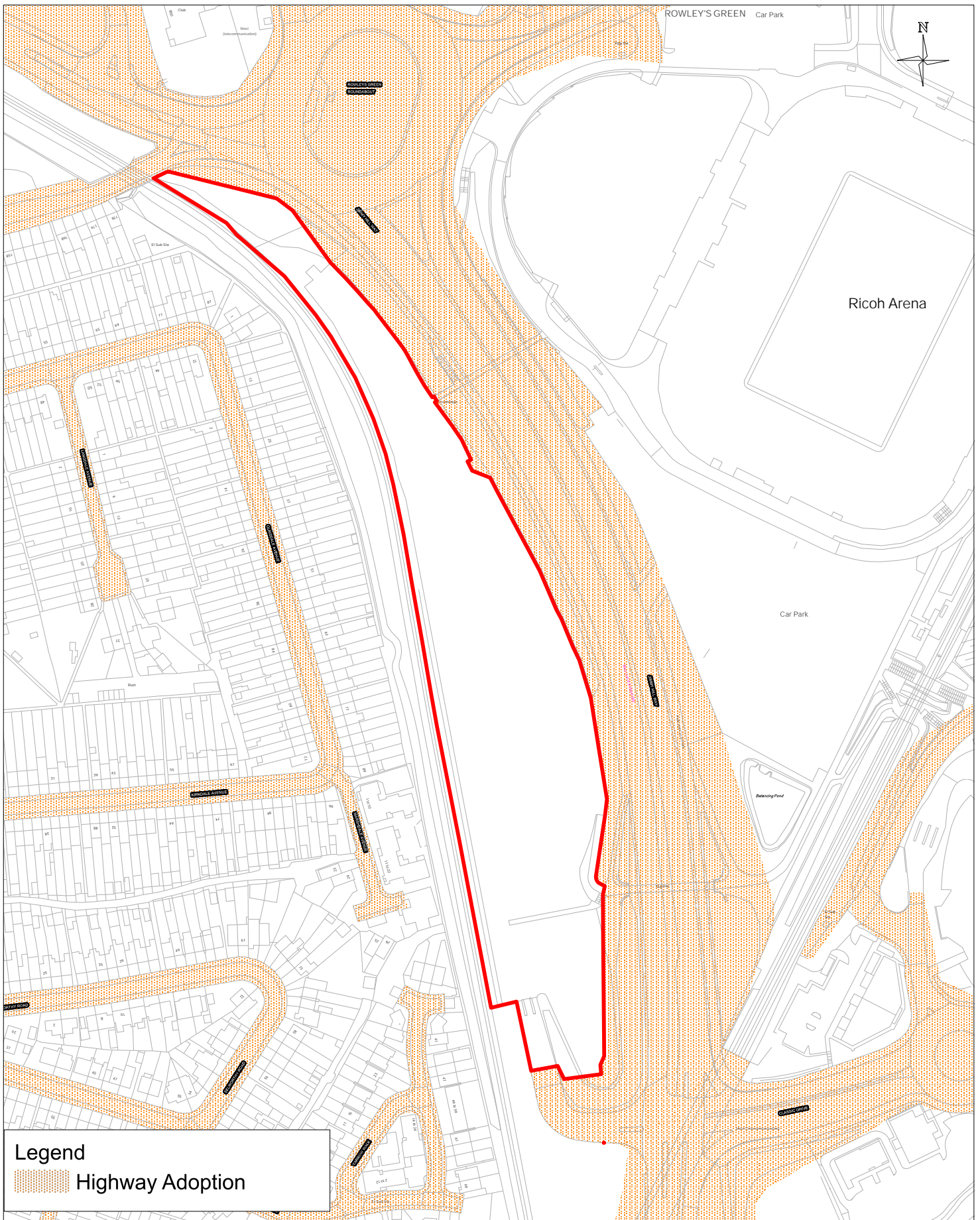
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Oluremi Aremu	Legal Services	Place	12.06.18	18.06.18
Martin Yardley	Deputy Chief Executive	Place	12.06.18	18.06.18
Councillor J O'Boyle	Cabinet Member for Jobs and Regeneration	-	22.06.18	22.06.18
Julie Fairbrother	Communications Team	Place	12.06.18	18.06.18

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Legend
 Highway Adoption

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 CV1 2GN
 Tel: 024 7683 2633

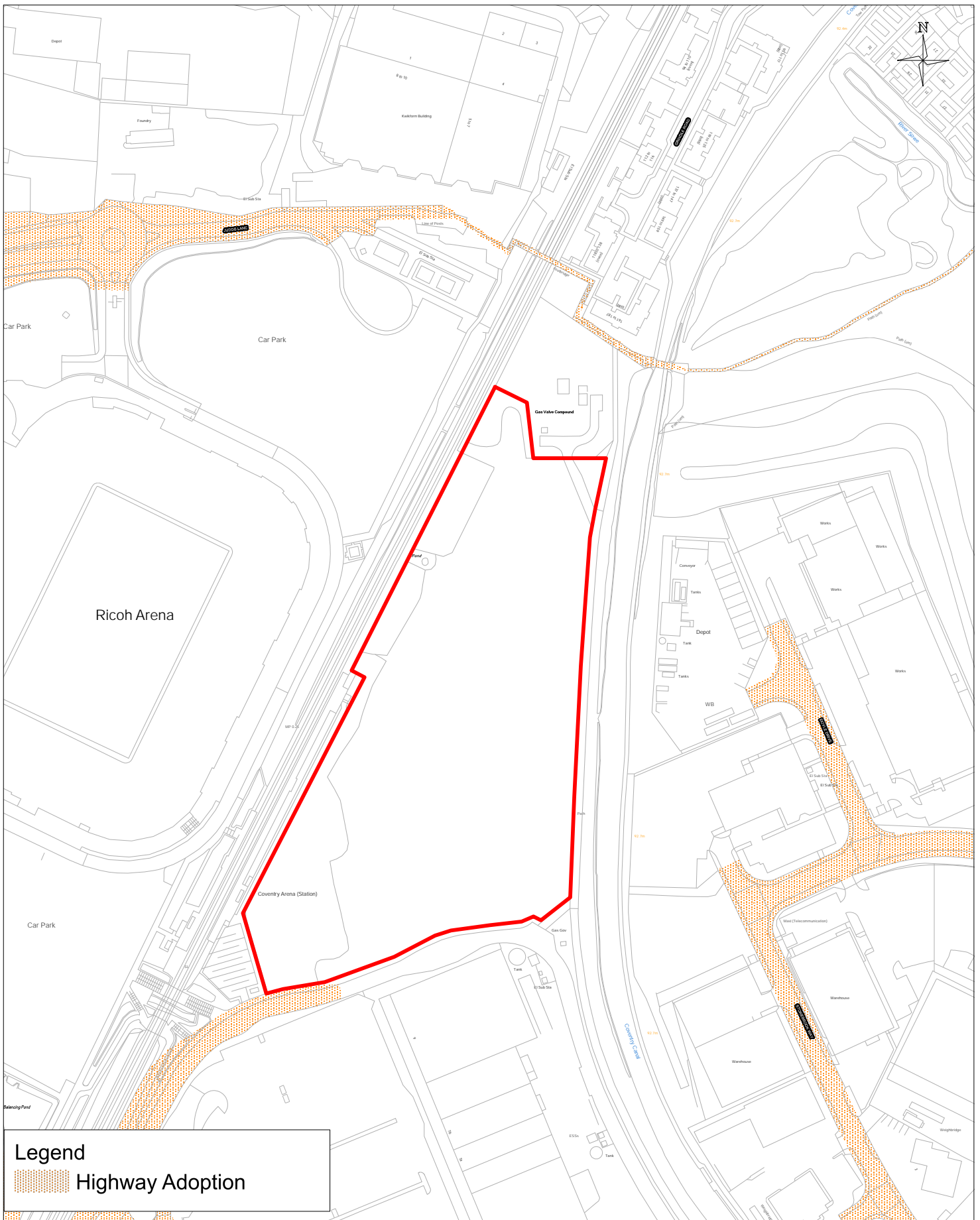


Title: Plan 1 - Car Park C

Drawn By: LB
 Scale : 1:2500
 Date: 20/06/2018

Martin Yardley - Deputy Chief Executive, Place
 Richard Moon - Director, Project Management & Property Services

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Legend
 Highway Adoption

PLACE DIRECTORATE
 PROPERTY
 ONE FRIARGATE
 COVENTRY
 CV1 2GN
 Tel: 024 7683 2633



Title: Plan 2 - Leisure Land

Drawn By: LB
 Scale : 1:2500
 Date: 20/06/2018

Martin Yardley - Deputy Chief Executive, Place
 Richard Moon - Director, Project Management & Property Services

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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