



Cabinet Member for Jobs and Regeneration

Time and Date

1.00 pm on Tuesday, 14 July, 2020

Place

This meeting will be held remotely. The meeting can be viewed live by pasting this link into your browser <https://youtu.be/ek0X61AYyik> <https://youtu.be/ek0X61AYyik>

1. **Apologies**

2. **Declaration of Interests**

3. **Minutes** (Pages 3 - 8)

- a) To agree the Minutes of the meeting held on 3 June, 2020
- b) Any matters arising

4. **Whitley Depot Rebuild - Additional Capital Allocation** (Pages 9 - 14)

Report of the Director of Streetscene and Regulatory Services

NOTE: In accordance with the Constitution, Councillor R Brown, Chair of the Scrutiny Co-ordination Committee, has been invited to attend the meeting for this item of business to agree the need for urgency such that call-in arrangements will not apply. The reason for urgency is that the tender deadline expires on 17 July, 2020. To delay contract award risks the project having to be retendered and the capital costs increasing.

5. **Outstanding Issues**

There are no outstanding issues.

6. **Any other items of public business which the Cabinet Member decides to take as matters of urgency because of the special circumstances involved.**

Julie Newman, Director of Law and Governance

Monday, 6 July 2020

Note: The person to contact about the agenda and documents for this meeting is Suzanne Bennett e mail suzanne.bennett@coventry.gov.uk

Membership: Councillors J O'Boyle, Cabinet Member, D Welsh, Deputy Cabinet Member, P Male, Shadow Cabinet Member

By invitation Councillor R Brown, Chair of Scrutiny Co-ordination Committee

Suzanne Bennett

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Coventry City Council
Minutes of the Meeting of Cabinet Member for Jobs and Regeneration held at 1.00
pm on Wednesday, 3 June 2020

- Present: Councillor J O'Boyle (Cabinet Member)
- Councillor D Welsh (Deputy Cabinet Member)
- Councillor P Male (Shadow Cabinet Member)
- Other Members: Councillor R Bailey (Shadow Cabinet Member for Housing and Communities) (For Minute 4 below)
- Councillor R Brown (Chair of Scrutiny Co-ordination Committee) (For Minute 6 below)
- Councillor P Hetherton (Cabinet Member for City Services) (For Minute 6 below)
- Employees Present O Aremu, Law and Governance
S. Bennett, Law and Governance
V Birchall, Head of Sport, Culture and Destination Services
C Knight, Director of Transportation and Highways Property
L Knight, Law and Governance
R Moon, Director of Management and Property Services
G Payne, Head of Traffic Network and Management
A Walimia, Property Services
S Wiles, Sports and Culture

Public Business

1. Declaration of Interests

There were no declarations of interest.

2. Minutes

The Minutes of the meeting held on 4 March, 2020 were agreed and signed as a true record.

There were no matters arising.

3. Exclusion of the Press and Public

RESOLVED that approval be given to exclude the press and public under Section 100(A) 4 of the Local Government Act 1972 for the consideration of the private matter referred to in Minute 8 below relating to "Land Disposal at Parkside, Paradise Street and Re-provision of Newgate Court Industrial Estate" on the grounds that that item involves the likely disclosure of exempt information, as defined in Paragraph 3 of Schedule 12 A of that Act

as it contains information relating to the financial and business affairs of an organisation and the amount of expenditure incurred.

4. St Mary's Guildhall Capital Project

The Cabinet Member for Jobs and Regeneration considered a report of the Director of Business and Investment which indicated that the Council has successfully raised £2.2m funding from the Department for Culture, Media and Sport to support the refurbishment of St Mary's Guildhall and had achieved a Stage One award of £78,000 from the National Lottery Heritage Fund which will enable officers to develop a Stage Two application for revenue and capital funding of £1.7m. In February 2020, Cabinet approved up to £3 million capital support for the project to be funded through prudential borrowing to bridge any remaining funding gap on the basis a financial return would be achieved on this investment.

The report sought approval to submit a Stage Two National Lottery Heritage Fund application; the preferred scheme for capital works; arrangements for the closure of St Mary's Guildhall to enable work to take place to deliver the associated refurbishment; and the delegations necessary to implement these decisions.

The main elements of the Phase One funded scheme were detailed in the report. It is expected that re-opening will be phased starting in March 2021 with a full opening scheduled for Summer 2021 and initial programming will contribute to the delivery of the City of Culture activities and key events. The decision on the award of the £1.7m National Lottery Heritage Fund grant will be made in December 2020 and if approved the project is expected to commence in January 2021. If successful, the National Lottery Heritage Fund revenue activity programme will commence delivery in July 2021 and will continue until March 2024. The National Lottery Heritage Fund capital works will commence when the Phase One capital works are near completion and will be completed by June 2021. Details of the works to be undertaken were contained in the report.

Should the National Lottery Heritage Fund application be unsuccessful, the report indicated that the Council will proceed with a scheme without this support. The capital scheme would require slightly scaling back, value engineering of the education learning space and some of the proposed interactive and Augmented Reality experiences.

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- (1) Approves the detail of the preferred capital scheme for the refurbishment /modernisation of St Mary's Guildhall set out in the £5.6m preferred option**
- (2) Delegates to the Director of Business, Investment and Culture, following consultation with the Cabinet Member for Jobs and Regeneration and the Cabinet Member for Housing and Communities, authority to approve and submit a Stage Two funding application to the National Lottery Heritage Fund for £1.7m to support the project outlined in the report**

(3) Delegates to the Director of Business Investment and Culture, following consultation with the Director of Finance, authority to obtain the necessary consents, procurement, contractor appointment and contract extensions for the professional design team.

(4) Delegates to the Director of Business, Investment and Culture, following consultation with the Director of Law and Governance, authority to enter into the necessary legal agreements to give effect to the above recommendations.

5. Land Disposal at Parkside, Paradise Street and Re-provision of Newgate Court Industrial Estate

The Cabinet Member for Jobs and Regeneration considered a report of the Director of Project Management and Property Services which indicated that, building on the recent success of promoting residential developments which are attracting people to come and live in and around Coventry's city centre, the disposal of prominent land at the corner of Parkside and Paradise Street has been identified as the next phase in delivering this key corporate priority.

This part of the city, adjacent to Coventry University's campus and their industry facing Technology Park, has seen large scale residential accommodation in recent years and the Council is keen to test the development market's appetite for further residential development in the area. As such and in an attempt to look to expand the type of housing in the area, the Council has sought expressions of interest and tenders from developers keen to deliver new Private Residential accommodation including the Private Rented Sector (PRS) and / or Purpose-Built Student Accommodation (PBSA).

The land identified for development already has eight small but very popular industrial units located within it and the balance of the development land has been created by the relocation of offices into new accommodation within the immediate area. To maximise the sites' development potential, it was recognised that these industrial units may need to be moved. It was, however, a precondition of any development proposal that these industrial premises and the businesses which occupy them, should be retained and relocated to new facilities within the wider site.

The Council, acting as planning authority, is in principle supportive of opportunities to promote urban regeneration throughout Coventry and has indicated that this site may be acceptable for residential development subject to full consideration through the planning application process. As such all tenders received are conditional on securing a planning consent.

In line with the agreed principle of seeking to generate revenue the Council, for granting a long leasehold, is looking to receive a percentage of rent generated from the completed development instead of a capital receipt. This new revenue would be used to help fund Council services.

Within the three shortlisted tenders received, each party approached the development differently with regards the type of residential accommodation

proposed. One was a pure student housing led scheme, the other a mix of student and private housing with the third being a purely private housing led development. In assessing the tenders, the aspiration of the Council to encourage a greater diversity of residential accommodation across the city centre was balanced against the income generated from each proposal.

The tender, recommended for approval, proposes to deliver 494 private, residential dwellings to rent, of which 25% would be affordable housing. This provides the strategic mix of residential accommodation and tenures the Council is seeking to compliment existing accommodation in the area, in addition to the re-provision of the industrial estate units. This scheme generates a significant additional annual income to the Council. Although the net new income is lower than the residential schemes which included student housing, it was considered that the social and economic benefits to the residents of the City through the additional private housing outweighed the financial benefit. In light of the current virus pandemic, the considerable number of student schemes still under construction coupled with uncertainty around student number growth in the next few years it was also considered that there was greater certainty around the need for further residential accommodation. In addition, when the new residential and industrial unit ground rent is combined by the estimated Council Tax income generated, the private residential scheme generates a greater level of income.

The site sits within the Parkside area of the City Centre Area Action Plan (AAP) which supports residential development in principle as part of the wider 'London Road Gateway'.

The report sought approval to proceed with the long leasehold disposal of the subject land and re-provision of Newgate Court Industrial units to Tenderer 1.

A corresponding private report detailing confidential financial matters was also submitted for consideration (Minute 8 below refers).

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- 1. Declares the part of the land at Parkside, Paradise Street shown edged red in Appendix 1 of this report surplus to requirements.**
- 2. Approves the grant of a long leasehold interest of Parkside Paradise Street as shown edged red in Appendix 2 to Tenderer 1.**
- 3. Delegates authority to the Director of Project Management & Property Services following consultation with the Director of Finance and the Director of Law and Governance to agree the final terms of the lease and complete the necessary legal documentation**

6. Outstanding Issues

There were no outstanding issues.

7. Urgent Public Business - High Street Safety Fund

The Director of Transportation and Highways reported that the City Council has recently been awarded £334,307 from the High Street Safety Fund by the Department of Communities and Local Government. The Fund provides funding to support the business communities with measures that enable safe trading in public places, particularly focuses on high streets, as well as other public places that are at the heart of towns and cities gearing up to reopen as safe, welcoming spaces following the coronavirus pandemic.

The Fund is focused on three main areas of activity:

- Developing an Action Plan on how to re-open the local economy within High Street environments
- Temporary public realm changes (these would need to be in place for a maximum of 12 months)
- Communications and public information campaigns

Proposals for the Fund include:-

- The reallocation of road space to allow social distancing to take. Locations currently identified for measures, include:
 - High Street (Installed)
 - Trinity Lane/ The Burges
 - Ball Hill
 - Foleshill Road
- Installation of signs to reinforce the 2 metre social distancing message at busy location
- Reallocation of road/ open space to allow businesses to expand outdoor seating area. Work is being undertaken with the BID on a number of proposals, including:
 - Broadgate, Belgrade Plaza, Hay Lane, Millennium Square, Spon Street.
- Undertake street dressing to improve their attractiveness (including lighting, flags ect.) Work is being undertaken with the BID on a number of proposals, including:
- Hertford Street and Spon Street

All the proposals taken forward will need to meet the requirements of “The Safer Public Places for Urban Centres and Green Spaces” guidance. The proposals will be backed up by a clear communication message that the City is opening up for business, but will look and operate differently due to the need to continue to observe the 2m social distancing requirement.

The proposals will also include:-

- “A Reason to visit” Proposals for temporary installations and activities to encourage public to return to the city, spend money and enjoy the city will be included to create a reason to visit c.180k
- A Task Force to lead a cross Service agenda for remobilisation, recovery and social recovery.
- A “Confidence Coventry” accreditation scheme which will build on the current advice for re-opening business and be followed by an

inspection/evidence gathering process creating public confidence and creation of temporary city safe space for social contact creating a “city outdoors” offer c. £85k

In accordance with the Constitution, Councillor R Brown, Chair of the Scrutiny Co-ordination Committee attended the meeting for this item and agreed the need for urgency so that call-in arrangements would not apply. The reasons for urgency, which the Cabinet Member for Jobs and Regeneration had also agreed to enable the item to be considered at this meeting as an item of urgent public business, were that work needed to be undertaken to develop and implement measures under the Fund at the earliest opportunity, particularly in light of shops potentially opening on 15 June in line with Government guidelines.

RESOLVED that the Cabinet Member for Jobs and Regeneration accepts the award to the City Council of £334k from the High Street Safety Fund by the Department of Communities and Local Government and delegates authority to the Director of Transportation and Highways, following consultation with the Cabinet Member for Jobs and Regeneration and the Cabinet Member for City Services, to develop and implement measures under the Fund.

8. Land Disposal at Parkside, Paradise Street and Re-provision of Newgate Court Industrial Estate

Further to Minute 5 above, the Cabinet Member for Jobs and Regeneration considered a report of the Director of Project Management and Property Services which detailed confidential financial matters in relation to the long leasehold disposal of land at Parkside, Paradise Street and the re-provision of Newgate Court Industrial Estate.

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- 1. Declares the part of the land at Parkside, Paradise Street shown edged red in Appendix 1 of this report surplus to requirements.**
- 2. Approves the grant of a long leasehold interest of Parkside Paradise Street as shown edged red in Appendix 2 to Tenderer 1.**
- 3. Delegates authority to the Director of Project Management & Property Services following consultation with the Director of Finance and the Director of Law and Governance to agree the final terms of the lease and complete the necessary legal documentation**

9. Urgent Private Business

There were no items of urgent private business.

(Meeting closed at 2.00 pm)



Public report Cabinet Member Report

Cabinet Member for Jobs and Regeneration

14th July 2020

Name of Cabinet Member:

Cabinet Member for Jobs and Regeneration, Councillor J. O'Boyle

Director Approving Submission of the report:

Director of Streetscene and Regulatory Services

Ward(s) affected:

None

Title:

Whitley Depot Rebuild – Additional Capital Allocation

Is this a key decision?

No

Executive Summary:

Cabinet resolved to provide a new welfare and administration building at the City Council's operational depot in Whitley at their meeting on 10th April 2018.

Following detailed design work, a submission for planning permission and tendering of the building construction contract the project costs have risen to £5.07m compared to the original estimated costs of £4.35m, leaving a funding gap of £0.72m.

This report seeks to provide the Cabinet Member for Jobs and Regeneration with the proposals to reduce the above funding gap and also to seek his approval to allocate a further £0.48m of capital resources to the project.

Recommendations:

The Cabinet Member for Jobs and Regeneration is recommended to:

1. Approve the allocation of an additional £0.48m of capital money from corporate resources to the rebuild of the Whitley Depot welfare and administration building.

List of Appendices included:

None

Background papers:

The original Cabinet report approving the rebuild of the Whitley Depot welfare and administration building can be found at the following link:



Replacement of
Administration Buildir

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

Whitley Depot Rebuild – Additional Capital Allocation

1. Context (or background)

- 1.1 The City Council's primary operational depot is located in Whitley and houses the following functions: waste management, vehicle workshops, highways, building services, and passenger transport.
- 1.2 Approximately 500 frontline employees are deployed from Whitley on daily basis to carry out the above functions. The site also provides a waste transfer station and is home to the majority of the City Council's fleet of vehicles.
- 1.3 Apart from the existing vehicle workshops the welfare and administration facilities at Whitley Depot are made up of porta cabins (installed in 2004/05) and a post war former workshop building converted into office space.
- 1.4 Both of the existing buildings are thermally inefficient and are heated from oil fired heating. Neither building is accessible as defined in 2010 equalities act, and the welfare facilities for 500 are inadequate.
- 1.5 In 2018 Cabinet resolved to fund a project to replace the welfare and administration building at Whitley by combining the existing provision at Whitley Depot and the provision at the City Council's 24 hour communications centre at Jackson Road (Holbrooks). The replacement building would be provided at Whitley Depot, leaving the Jackson Road available for alternative uses.
- 1.6 Following a detailed design exercise, planning consultation and tendering for the construction of a new welfare and administration building at Whitley Depot there remains a shortfall in capital. This report therefore seeks the allocation of an additional £0.48m of capital resource to the project.

2. Options considered and recommended proposal

- 2.1 The tendered price for the replacement welfare and administration building at Whitley Depot is £0.72m higher than the allocated budget for the project.
- 2.2 In order to close the above funding gap, the project team have reduced the overall size of the building by 10%, predominantly removing administrative office space. In addition, and in consultation with colleagues in the planning and highways teams several of the external finishes to the proposed building have been downgraded. This has reduced the funding gap to £0.48m.
- 2.3 The two options therefore left for the project are to seek additional capital funding of £0.48m or to abandon the rebuild and remain with the current building stock.
- 2.4 The recommended option is to allocate £475k of additional funding to the project, as abandoning the rebuild project would leave the existing mix of temporary and permanent buildings that are beyond their economic and practical life.
- 2.5 The recommended option also continues to offer a revenue saving to the City Council of £207k per annum compared to continuing to maintain and heat the existing building stock at Whitley Depot and Jackson Road.

3. Results of consultation undertaken

- 3.1 Initial staff consultation with staff and Trade Unions on the provision of a new welfare and administration building at Whitely took place in 2019.
- 3.2 Further consultation on the final design and timetable will take place during July and August 2020.

4. Timetable for implementing this decision

- 4.1 If the above recommendations are approved the contract for construction will be awarded on 17th July 2020, with new building being operational by June 2021.
- 4.2 To delay contract award risks the project having to be retendered and the capital costs increasing.

5. Comments from Director of Finance and Director of Law and Governance

5.1 Financial implications

The original project has a Medium Term financial strategy target net saving of £227k per year which could be achieved as a result of no longer incurring the high running and repair costs of the old buildings, net of the borrowing costs and more efficient running costs of the new accommodation.

The higher borrowing costs resulting from the additional £0.48m capital resources needed to fund the gap would reduce the achievable savings by £20k per year over the life of the buildings. These savings would need to be identified from other sources.

To abort the project would result in the full £227k per year not being achieved.

5.2 Legal implications

- 5.2.1 The Council can use its powers under the Local Government Act 2003 for prudential borrowing.
- 5.2.2 The Council has undertaken a tender to deliver project in accordance with Council's Rules for Contracts due to the value of the Works being below OJEU threshold.

6. Other implications

Any other specific implications

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

- 6.1.1 The council is committed to the regeneration and growth of the city in general. In addition to this, the existing council estate is continuing to deteriorate and requires investment. The redevelopment of Whitley Depot is part of a plan to rationalise the number of office buildings the Council currently operates from. It will deliver significant benefits both in terms of an improved working environment for employees, provide a more flexible working environment and enable agile working environments. Working from fewer buildings in a more efficient way means that the Council will save money.

6.2 How is risk being managed?

6.2.1 Risk will be managed in accordance with the Council's risk management arrangements. The Governance arrangements will include regular review of risks associated with the project and this has been actively managed to date through the Project Team and Project Board.

6.3 What is the impact on the organisation?

6.3.1 The allocation of additional funding has no impact on the organisation other the financial implications considered in section 5.1 of this report.

6.3.2 The provision of a modern building will however, dramatically improve the welfare facilities for the City Council's frontline workforce. In addition the provision of a new building will reduce the on-going cost of maintaining series of temporary and permanent structures that are beyond their economic life.

6.4 Equality Impact Assessment (EIA)

6.4.1 The allocation of additional funding has no equality impacts.

6.4.2 The construction of the new building will primarily impact on staff. The new building (unlike the existing one) will be fully compliant with the provisions of the Equalities Act 2010 (in terms of access to persons who are have a physical disability or other relevant protected characteristics) and include dedicated disabled parking on site

6.5 Implications for (or impact on) climate change and the environment

None

6.6 Implications for partner organisations?

None

Report author(s): Andrew Walster

Name and job title: Director of Streetscene and Regulatory Services

Directorate: Streetscene and Regulatory Services

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Enquiries should be directed to the above person.

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Suzanne Bennet	Governance Services Officer	Law and Governance	6 th July 2020	6 th July 2020
Nicola Williams	Project Manager	Project Delivery Team	6 th July 2020	6 th July 2020
Names of approvers for submission: (officers and members)				
Finance: Phil Helm	Finance Manager	Finance	6 th July 2020	6 th July 2020
Legal: Gorbinder Singh Sangha	Corporate and Commercial Lawyer	Law and Governance	6 th July 2020	6 th July 2020
Director: Andrew Walster	Director of Streetscene and Regulatory Services	Streetscene and Regulatory Services	6 th July 2020	6 th July 2020
Members: Cllr J O'Boyle	Cabinet Member for Jobs and Regeneration			

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