

Agenda Item 14

Recommendation from Cabinet, 18th June 2013

Coventry City Council

Minutes of the meeting of Cabinet held at 2.00 pm. on 18 June 2013

Present:

Cabinet Members:	Councillor Mrs Lucas (Chair) Councillor Townshend (Deputy Chair) Councillor Duggins Councillor Gannon Councillor Gingell Councillor Kelly Councillor Kershaw Councillor A. Khan Councillor Lancaster Councillor Ruane
Deputy Cabinet Members:	Councillor Innes
Non-voting Opposition Members:	Councillors Blundell and Andrews
Other Members:	Councillors Fletcher, Foster, McNicholas, Sandy and Skipper.
Employees (by Directorate): Chief Executive's:	M Reeves (Chief Executive), F Collingham, G Holmes, J Moore and A West
Children, Learning and Young People :	Colin Green (Director), S Redgrave and A Simpson,
City Services & Development:	M Yardley (Director), N Clews, C Knight, R Negro, M Vicker and R Young
Community Services:	B Walsh (Director)
Customer & Workforce Services:	H Abraham (Assistant Director), S Iananntuoni, H Peacocke and N Sutharia
Finance & Legal Services:	C West (Director), N Chamberlain, C Forde, B Hastie, P Helm, P Jennings and J Murphy

Public business

1. Apologies

Cabinet noted apologies from Councillors K Caan and D Howles.

2. Declarations of Interest

There were no declarations of Interest

13. **Starting the Friargate Business District to Regenerate the City, Transform the Council and Deliver Savings**

Cabinet considered the report of the Director of City Services & Development which proposed the regeneration of the Friargate area next to Coventry Railway Station which had the potential to generate 13,400 permanent jobs over the next 10-15 years.

The Council proposed to be the first occupier at Friargate and give confidence to others to locate there. Investing in a new building at Friargate would allow the Council to transform the way it delivered services to the public and make savings as part of a package of changes which comprised in full:

- a) The construction of a new, Council-owned office building as the first building within the Friargate development
- b) Investment in the creation of a new Customer Services Centre in Broadgate
- c) Investment in the Council House as the Civic and Democratic Centre
- d) Investment in a number of other suburban office buildings to support locality based service delivery
- e) The introduction of agile and flexible working arrangements for Council staff to drive productivity and efficiency gains
- f) The rationalisation of the Council's operational office buildings from 27 to 9
- g) The construction of the Friargate Bridge (subject to a separate report on the agenda)

To maximise inward investment and job creation potential of Friargate it was essential that the railway station area was fully connected to the City Centre. To address the barrier created by the Ring Road it was proposed to remove the roundabout at Junction 6 and to build a bridge deck across the Ring Road (the 'Friargate Bridge'). This was the subject of a separate Cabinet/Council report at this meeting. The Friargate Bridge would be funded through the Regional Growth Fund allocation of £12.7m.

RESOLVED that Cabinet recommends to Council that it:

- (1) Commits to the wider Friargate development using the Project detailed in this report as a catalyst for jobs, growth and additional rates income.**
- (2) Approves the overall affordability strategy for the Project as set out in this report.**
- (3) Approves the rationalisation and changes to the Council's existing operational estate and its ongoing use, including the creation of a new Customer Services Centre within Broadgate House and the Civic and Democratic Centre in the Council House and the subsequent disposal of assets released.**
- (4) Authorises officers to procure the required contracts and make necessary arrangements to achieve the Council office at Friargate, the Customer Services Centre at Broadgate, the Civic and Democratic alterations to the Council House and to the four suburban hubs,**

associated ICT infrastructure, project management and decommissioning arrangements at the total estimated capital cost of £59m.

- (5) Approves the addition of this scheme to the Council's capital programme for 2013/14 onwards and uses its prudential borrowing powers under the Local Government Act 2003 to finance the capital costs of the Project up to £59m.
- (6) Authorises the Council's section 151 officer to complete a submission to the Coventry and Warwickshire Local Enterprise Partnership and subject to LEP Board approval, onwards to HM Treasury, requesting that the Project benefits from an estimated £31m of prudential borrowing at preferential rates available from HM Treasury.
- (7) Approves that the capital receipts generated from the disposal of the resulting redundant operational estate be ring-fenced to finance the Project and request officers to prepare a disposal strategy for those assets.
- (8) Approves £1.7m of the City Deal monies/reserves already budgeted for in the Council's medium term financial strategy are utilised to finance project management costs within the overall approval of project costs in 4 above.
- (9) Approves project management and design costs of £1.4m that will be incurred at risk up until January/February 2014 when contracts are planned for signature.
- (10) Uses the recently established Cabinet Advisory Panel (Regeneration and Infrastructure) to provide political guidance and support to the operational aspects of the wider programme, including agreeing the scope and general remit of the programme delivery team as per the proposed governance arrangements in Appendix 1.
- (11) Authorises the Assistant Director – City Centre & Development to negotiate with an incoming second occupier to establish a national HQ, within the Friargate development based on the principles set out in this report and to receive a further Cabinet report at a later date with the details of the arrangement for consideration.
- (12) Delegates authority to the Director of City Services and Development and the Director of Finance and Legal Services, in consultation with the Leader, Cabinet Member (Business Enterprise & Employment) and Cabinet Member (Strategic Finance and Resources), to award contracts to achieve the Project within the affordability parameters detailed in this report.
- (13) Delegates authority for any other detailed legal and financial matters to the Director of City Services and Development and the Director of Finance and Legal Services, in consultation with the Leader, Cabinet Member (Business Enterprise & Employment), Cabinet Member (Strategic Finance and Resources) and Cabinet Advisory Panel.