

Coventry City Council
Minutes of the Meeting of Cabinet Member for Jobs and Regeneration held at 1.30 pm on Thursday, 14 December 2017

Present:

Members: Councillor J O'Boyle (Cabinet Member for Jobs and Regeneration)
Councillor D Welsh, (Deputy Cabinet Member for Jobs and Regeneration)
Councillor G Crookes (Shadow Cabinet Member for Jobs and Regeneration)
Councillor R Brown (Chair of the Scrutiny Co-ordination Committee – for items detailed in Minutes 23 and 24 below)

Employees (by Directorate):

Place: S. Bennett, D Nuttall, J Sprayson, A Walster

Apologies There were no apologies

Public Business

17. Declaration of Interests

There were no declarations of interest.

18. Minutes

The Minutes of the meeting held on 4 October, 2017 were agreed and signed as a true record.

There were no matters arising.

19. Project CAP - Update Report

The Cabinet Member considered a report of the Deputy Chief Executive (Place) which provided an update following the Council's decision on 10 October, 2017 to approve a commercial investment to acquire 100% of the shares in Coombe Abbey Park Limited (CAPL), the operating company of Combe Abbey Hotel.

CAPL operates as a going concern and has successfully grown the business over the last few years. Following approval of the purchase by Council, officers and the current owner, Mr Gordon Bear, have continued negotiations on a fair price for the Council acquiring 100% of the shares in the business.

The report indicated that Local Authorities are increasingly looking for strategies to drive commercial income through the acquisition of property and other investments. The Council already has a commercial interest in Coombe Abbey Hotel, through the freehold ownership of the land and buildings, which are let on a long lease to CAPL. This generates a significant annual rental to the Council.

Coombe Abbey Country Park and Hotel are important cultural, leisure and tourist assets for the City. The Council's existing interests in CAPL results from work over the last 20 years to bring the building back into use and operate it as a unique hotel.

The hotel has continues to increase turnover and profit year on year, with a 64% increase in profits in 2016 compared to the previous year. The increase in revenues is partly due to increasing capacity for larger functions with the marquee on site, the introduction of afternoon teas and charging for car parking.

The report indicated that since the Council meeting on 10 October, 2017, officers have:-

- Continued to work with the existing hotel management team to recruit an Operational Director to run the hotel on behalf of the City Council. This professional search has produced a number of suitable candidates that are in the process of being interviewed.
- Continued to negotiate on the fair price for the purchase of CAPL. To date this has resulted in a further reduction to the price indicated in the private report considered by Council on 10 October, 2017.
- Worked to complete the suite of documents required for the purchase and transfer of CAPL from Gordon Bear to the City Council.

The Cabinet Member provided a full explanation as to why, for commercial reasons and in order to achieve the best possible deal for taxpayers, it had been necessary to consider this matter in private in October. Councillor O'Boyle also indicated that, as soon as the deal had been signed and completed, further information in relation to the deal would be made available to the public to ensure transparency.

In line with the delegation approved by Council in October, Councillor K Caan, Cabinet Member for Public Health and Sport, had been invited to attend the meeting.

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- a) Notes the progress made to date in negotiating a final purchase price for Coombe Abbey Hotel Ltd**
- b) Notes that the purchase price is lower than the level delegated to officers in the report approved by Council on 10 October, 2017.**
- c) Notes that interviews for an Operational Director for Coombe Abbey Hotel have now taken place and that a successful candidate is likely to be in post by March 2018.**

20. **Outstanding Issues**

There were no outstanding issues.

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

There were no further items of urgent public business.

22. **Exclusion of Press and Public**

RESOLVED that approval be given to exclude the press and public under Section 100(A) 4 of the Local Government Act 1972 for consideration of the private matter referred to in Minute 24 below relating to “Coventry City Centre Business Improvement District (BID) – BID Proposal” on the grounds that that item involves the likely disclosure of exempt information, as defined in Paragraph 3 of Schedule 12A of that Act as it contains information relating to the financial and business affairs of an organisation and the amount of expenditure proposed to be incurred.

23. **Coventry City Centre Business Improvement District (BID) Business Planning 2018-2023**

Further to Minute 12/17, the Cabinet Member considered a report of the Deputy Chief Executive (Place) which indicated that in 2008, the Coventry City Centre Business Improvement District (BID) was established, covering the City Centre area. A BID is a principally business-led and business-funded body, formed with a purpose to improve a defined commercial area. The aim of the Coventry BID is to enhance, promote, develop and boost the city centre to make it a great place to work and visit.

In a formal ballot of eligible businesses in February 2013, 83% of votes cast were in favour of the Coventry BID being renewed for a second five-year period, from 1 April 2013 to 31 March 2018. As the BID comes to the end of the term of this agreement in March 2018, a new ballot will be required whereby for a new BID period the BID members will need to endorse new BID proposals, including the structure, business plan and proposed budget for the period 2018 – 2023.

The BID is currently hosted by Coventry City Council, following the transfer of city centre management services from CVOne in 2011. In the new Coventry BID Business Plan for 2018-2023, it is proposed to establish the BID as a new, separate, independent body, thereby aligning Coventry’s arrangements with the structure of the vast majority of BIDs in the country.

The Council is currently, and would under the proposed new arrangements remain, a BID levy payer. The Council currently also makes an additional voluntary financial contribution to the operations of the BID, but these arrangements are due to expire in March 2018.

The Coventry BID Business Plan 2018-2023, a copy of which was appended to the report, aims to focus BID activity towards priority areas of Security and Environment; Enhancing and Promoting; Business Voice and Support. If BID proposals for a new BID period were not approved at the proposed ballot, a number of the services planned in support of these objectives would not be considered deliverable.

A corresponding private report detailing confidential financial matters was also submitted for consideration (Minute 24 below refers)

Pursuant to Part 3e, Paragraph 19, of the City Council's Constitution, the Chair of the Scrutiny Co-ordination Committee, Councillor R Brown, attended the meeting for consideration of this matter and agreed the need for urgency such that call-in arrangements will not apply to this issue. The reason for urgency being that, in order to meet the timescale detailed in the report, the Notice of Ballot in relation to the BID proposal needs to be issued on 18 December, 2017.

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- a) Approves the Coventry Business Improvement District (BID) proposals and timetable to ballot for a new Business Improvement District (BID) and a new agreement for the period 2018-2023**
- b) Approves that the Council act as the Ballot Holder in accordance with the Business Improvement District Regulations (England) 2004 and all relevant legislation.**
- c) Approves that the Council recover the cost of the BID ballot from the proposers if the ballot is unsuccessful**
- d) Approves that, if voted for by the BID levy payers within the ballot, the Council acts as the billing authority responsible for collecting the BID Levy and administering the BID Revenue Account, which shall be used towards the operation of the BID within the area of the Council.**
- e) Approves that the Council will charge the BID for the Collection and Administrative Charges for business rates staff in collecting and administering the levy in the sum of £20,000 annually (index linked).**
- f) Approves that the Deputy Chief Executive (Place) be delegated authority, following consultation with the Cabinet Member for Jobs and Regeneration, to determine how the £75k identified in paragraph 1.5 of the report should be allocated in line with City Council priorities.**

24. Coventry City Centre Business Improvement District (BID) Business Planning 2018-2023

Further to Minute 23 above, the Cabinet Member considered a report of the Deputy Chief Executive (Place) which detailed confidential financial matters in relation to the Coventry Business Improvement District (BID) proposals.

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(Meeting closed at 2.20pm)