

POLICY AND RESOURCES COMMITTEE

28th July 2020

Present: Councillor Louis Stephen in the Chair

Councillors Agar, Bayliss (Vice-Chairman), Berry, Geraghty, Gregson (Vice-Chairman), Hodges, Mrs L. Hodgson, Johnson, Mackay, Riaz, Squires and Stanley

Officers: **Mark Baldwin, Head of Finance**
David Blake, Managing Director
Shane Flynn, Corporate Director – Finance and Resources
Lloyd Griffiths, Corporate Director – Homes and Communities
Andrew Round, Corporate Director – Place
Sian Stroud, Deputy Director – Governance
David Sutton, Deputy Director - Corporate Policy and Strategy
Nick Kay, Economic Development and Regeneration Team Leader

35 Appointment of Substitutes

Councillor Johnson for Councillor Mitchell.

36 Declarations of Interest

The following declarations of interest were made:

Councillor Bayliss – Future High Street Fund Submission (Minute 39) – knows the owner of one of the affected properties (Councillor Bayliss stated that he had sought advice prior to the meeting from the Monitoring Officer and would not be leaving the meeting for this the minute); Worcestershire Growth Hub Hosting (minute 45) – as a Board Member of Worcestershire LEP

Councillor Mackay - Property Asset Management Plan 2019 to 2022 (Minute 44) – as a Trustee of the Lyppard Hub; Land at the Rear of the Pines (Minute 42) – as a Member of Worcestershire County Council

Councillor Mrs L. Hodgson - Property Asset Management Plan 2019 to 2022 (Minute 44) – as a Trustee of the Lyppard Hub; Land at the Rear of the Pines (Minute 42) – as a Member of Worcestershire County Council; Worcester Arches: Property Matter (Minute 43) – as a member of the Arches Worcester Steering Group

Councillor Hodges - Property Asset Management Plan 2019 to 2022 (Minute 44) – as a Trustee of the Worcester Community Trust and a Director of Worcester Live

Councillor Geraghty – Worcestershire Growth Hub Hosting (minute 45) – as a Board Member of Worcestershire LEP; Land at the Rear of the Pines (Minute 42) – as a Member of Worcestershire County Council

Councillor Agar - Land at the Rear of the Pines (Minute 42) – as a Member of Worcestershire County Council.

37 Public Representations

None.

38 Minutes

RESOLVED: That the minutes of the meeting held on 9th June 2020 be approved as a correct record and signed by the Chairman.

39 Future High Street Fund Submission

The Committee considered a report on the submission of a bid to the Future High Streets Fund. The Corporate Director – Place presented the report and highlighted the main points, including the background to the submission, the main interventions in the proposal, the benefits of the proposal, how the Fund will be delivered, timescales, the proposed City Council commitment, alternative options and implications including risk.

In overall terms, the submission proposes a total investment of £29.309m, of which £18.158m is expected to be funded through the Future High Street Fund with the remaining £11.151m to be funded locally.

Following the summary presentation, the Committee agreed to exclude the press and public from the meeting in order to consider an exempt report which provided further details of the proposed interventions, the objectives, delivery benefits and costs. The Committee also considered the draft Business Case. The information included within the presentation contained commercially sensitive information relating to acquisitions.

Officers responded to questions from Committee Members in the proposals. Members expressed support for all 7 of the interventions.

The Committee returned to public session and Members expressed support for the proposals, as set out in the report. Upon being put to the vote, it was

RESOLVED: That the Committee agree to:

- 1. note the contents of this report and its exempt appendix and approves the submission of the Council's business case for investment in the northern quarter of the City Centre for consideration by MHCLG as part of the Future High Streets Fund;**
- 2. delegate authority to the Corporate Director of Place and the Corporate Director, Finance and Resources in consultation with the Chair and Vice Chairs of the Committee to make minor amendments to the bid document (attached to the exempt appendix) prior to submission on or before the 31st July 2020;**

3. **note that, in the event the Council's bid is successful, further reports will be brought to the Committee for approval on the proposed terms of the funding agreement and on property acquisitions and businesses cases for projects within the bid; and**
4. **confirm its commitment, in support of the bid submission (and subject to the satisfactory outcome of 1.3 above) to:**
 - (1) **commit match funding of £200,000 to support public realm works drawn from the City Plan (City Centre Masterplan Delivery) allocation;**
 - (2) **recommend to Council the additional provision to the capital programme required to deliver the bid.**

40 Quarter 1 Performance Report for 2020/21

The Committee received a report on the Council's Quarter 1 performance for 2020/21. The Performance Scorecard had been refreshed for 2020/21 with projects completed in the last financial year replaced by new projects as previously agreed. The Corporate Director – Finance and Resources presented the report and Officers responded to questions from Committee Members.

In the ensuing discussion, the following main points were made:

- The number of days to process Housing Benefit and Council Tax Benefit claims was highlighted, as this has increased to 16 days. Officers emphasised that they are talking with Civica about this. There has been a significant increase in the number of applications and Civica will be applying additional resources as a result. Processes are also being streamlined where possible.
- The Kepax Bridge planning application will be dealt with by the County Council. The public consultation exercise will be shared at Project Board level.
- With reference to the Equalities Strategy, a report will be brought to this Committee before the end of the year, following some consultation work. Some more immediate actions are already underway and updates will be provided via Group Leaders' briefings.
- A request was made for provision to allocate at least one traineeship/apprenticeship to a looked after child. In response, Officers agreed to raise this with the relevant County Council Officer.

RESOLVED: That the Committee note the Council's Quarter 1 performance for 2020/21.

41 Q1 Financial Monitoring Report 2020/21

The Committee reviewed the financial monitoring details including budget variances and performance indicators for the 1st quarter ended 30th June 2020. The Corporate Director – Finance and Resources introduced the report and the Head of Finance highlighted the main points.

It was explained that, whilst the lockdown put in place due to the Covid-19 pandemic has had a significant effect on the Council's income, the risk reserve is sufficient to meet the forecast end-of-year deficit.

There were no write-offs of Council Tax and Business Rates for the quarter above the level which requires Committee approval.

RESOLVED: That the Committee:

- 1. note the report; and**
- 2. note the write-offs of Council Tax and Business Rates for the quarter.**

42 Land at Rear of The Pines, Bilford Road

The Committee considered a proposal to dispose of 0.15 hectares of land which was part of the City Council's wider ownership at Perdiswell and had been occupied by Worcestershire County Council under the terms of a licence since 1976 at a fee of £1 per annum.

The Corporate Director – Finance and Resources presented the report and explained that the County Council had until recently proposed to redevelop the site for a Supported Living scheme. However, they now intended to dispose of the site on the open market and had asked whether the City Council was willing to release the land. The County Council were willing to share net proceeds pro rata according to respective site areas.

In the ensuing discussion, it was explained that there is no current planning application for the site. A further report will be presented to the Committee when the sale value is known.

Committee Members expressed support for the proposal. It was noted that the proposal will require the consent of the full Council.

It was moved and seconded that the Committee approve the recommendations as set out in the report.

RESOLVED: That the Committee agree to:

- 1. recommend to Council to declare the land at the rear of The Pines (identified as the "Site" and shown edged red on the plan attached to the report) as surplus to the Council's requirements and to authorise the Site to be offered jointly with the County Council's land on the open market for disposal by way of freehold sale; and**
- 2. delegate authority to the Corporate Director Finance and Resources and Deputy Director - Governance, in consultation with the Chair and the Vice-Chairs of the Committee, to negotiate satisfactory terms and complete a Land Owners' Collaboration Agreement with the County Council and the disposal of the Site with a preferred bidder.**

43 **Worcester Arches: Property Matters**

The Committee considered a report on proposals for Phases 1 and 3 of this project, which required Committee approval as they involve the Council acquiring new property interests. The Corporate Director – Place presented the report and explained that the proposals were for:

- (i) a sub-lease from the University of Worcester to the City Council for the first 5 arches which, when refurbished, the City Council will let out to creative industries; and
- (ii) the acquisition of property interests at 56 Foregate Street to enable the demolition of that building to create the new walkway spanning the length of the project, from the railway station to the River Severn.

The Corporate Director – Place summarised the proposals, which were set out in detail in the report, and responded to questions.

It was moved and seconded that the Committee approve the recommendations as set out in the report.

RESOLVED: That the Committee agree to:

- 1. authorise the Council entering into a sub-lease from the University of Worcester of arches No's 27, 28, 29, 30, 33 Croft Road/The Butts in order to offer letting to creative industries in accordance with the terms of the funding conditions for the Arches Project;**
- 2. authorise the acquisition by the Council of all the necessary leasehold interests and other property rights in 56 Foregate Street in order to be able to implement phase 3 of capital work on the Arches Project, subject to the acquisition costs being fully met from the Arches project budget;**
- 3. delegate authority to the Corporate Director, Finance and Resources, the Corporate Director, Place and the Deputy Director, Governance to complete the legal agreements for the property matters set out at 1.1 and 1.2 above; and**
- 4. approve the principle of using Compulsory Purchase powers for the acquisition of the 56 Foregate Street property interests, in the event that this becomes necessary and subject to receiving a further detailed report requesting formal authorisation to the making of a Compulsory Purchase Order.**

44 **Property Asset Management Plan 2019 to 2022**

The Committee considered a draft Property Asset Management Plan, which set out the present and proposed arrangements for the corporate management of property and the current resourcing of this. The Corporate Director – Finance and Resources presented the report and highlighted the main points.

In summary, it was explained that approval of the Plan completed the process which had started when the Committee approved the Council's Property Asset Management Strategy for 2019 – 2024 in November 2019. The current budget incorporated all the items listed in the Plan. If any further approvals are required, these will be subject to a further Committee report.

It was moved and seconded that the Committee approve the recommendations as set out in the report.

RESOLVED: That the Committee agree to:

- 1. approve the Property Asset Management Plan 2019 to 2022;**
- 2. approve the 3 year outline investment programme; and**
- 3. receive further reports for approval before the implementation of any project in the Asset Management Plan without current funding.**

45 Worcestershire Growth Hub Hosting

The Committee considered a proposal to transfer the Worcestershire Growth Hub staff from the Hereford and Worcester Chamber of Commerce to Worcester City Council. The Managing Director presented the report and explained the background to the proposal.

In summary, following a review of delivery and governance arrangements, the Worcestershire Local Enterprise Partnership (WLEP) Board had agreed to bring management of the Growth Hub in-house from the Chamber of Commerce, with a new local government parent body acting as employer and host. The preferred option was to transfer the Growth Hub staff from the Chamber of Commerce to Worcester City Council. This would place the Growth Hub in a central Worcestershire location, which was the preferred choice of the WLEP Board. The proposal would be fully funded by WLEP.

It was moved and seconded that the Committee approve the recommendations as set out in the report.

RESOLVED: That the Committee agree to:

- 1. approve the transfer of Worcestershire Growth Hub staff from the Hereford and Worcester Chamber of Commerce to Worcester City Council, subject to satisfactory agreements of Terms and Conditions; and**
- 2. delegate authority for agreement of terms and conditions to the Corporate Director, Finance and Resources in collaboration with Chair and Vice Chairs of this Committee.**

46 Herefordshire and Worcestershire Partnership Waste Strategy Officer

The Committee considered a proposal to establish a Joint Waste Strategy Officer post, to work on behalf of the eight Local Authorities in Herefordshire and Worcestershire.

The Corporate Director – Place presented the report and explained that the provisions of the Environment Bill 2020 will impact significantly on how local authorities provide their waste management services. There was not sufficient staff capacity currently to undertake this work and a joint partnership post had therefore been proposed through the Strategic Waste Management Board. Each partner authority was seeking authorisation for finalisation of and recruitment to the post, which would be funded across the partnership. The post holder will be employed by Worcestershire County Council.

In the ensuing discussion, the following main points were made:

- Much of the postholder's work will be driven by national government requirements. There is Member involvement in the governance arrangements and all partners have an equal role. Officers acknowledged that current arrangements may need to be reviewed.
- Any investment decisions arising from the new legislation will come back to the relevant committee.

It was moved and seconded that the Committee approve the recommendations as set out in the report.

RESOLVED: That the Committee agree:

- 1. to the establishment of a Joint Waste Strategy Officer to work on behalf of the partnership of the eight Local Authorities in Herefordshire and Worcestershire;**
- 2. to contribute to the funding of the joint post with a small expenditure budget (£8,000 per annum) for a fixed term period of 3 years; and**
- 3. to consider requests for additional funding to support further work which may be identified and proposed via the partnership Senior Waste Officer Group.**

47 Covid-19: Decisions Under Urgency Powers

The Committee received a report on the decisions taken by the Managing Director, since the last report to Committee on 26 May, which have been taken under urgency powers in response to the Covid-19 emergency incident. The Managing Director presented the report and highlighted the main points. A summary of the current status of the Covid-19 corporate risks was attached to the report.

With regard to leisure centres, a report on the package of support that was agreed with Freedom Leisure for the initial closure period, and to support them with the re-opening period, was included in the exempt part of the agenda. This was not for publication as it contains commercially sensitive information. The Managing Director responded to questions on this exempt report.

In response to a question about the government's active travel plans, the Managing Director advised that a request has been made via the County Chief Executives Group for a commitment to include in the County Council's application for second tranche LTP4 funding of those proposals which were not taken forward at the first stage. Relevant Members will be provided with an update on the City Centre Transport Plan timetable when this becomes available.

RESOLVED: That the Committee note the report.

48 Any Other Business

None.

49 Items Involving the Disclosure of Exempt Information

RESOLVED: That under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of information as defined in Schedule 12A of the said Act.

50 Future High Street Fund Submission

The exempt report provided further details of the proposed interventions including proposed costs, potential capital receipts, and commercially sensitive information relating to acquisitions.

51 Covid-19: Decisions Under Urgency Powers

The Council's immediate financial support to Freedom Leisure had been raised as part of the discussion under item 47. Therefore this report was not discussed any further in the exempt part of the meeting. Officers responded to questions of a general nature from Committee Members on the Freedom Leisure contract.

Duration of the meeting: 7.00p.m. – 9.10p.m.

Chairman at the meeting on
8th September 2020