

POLICY AND RESOURCES COMMITTEE

4th July 2022

Present: Councillor Stanley (Vice-Chair) in the Chair

Councillors Agar, Allcott, Bayliss, Denham (Vice-Chair), Gregson, Mrs L. Hodgson, Lewing, Mackay, Riaz, Stafford, Stanley (Vice-Chair) and Stephen

Officers: Shane Flynn, Corporate Director – Finance and Resources
Lloyd Griffiths, Corporate Director – Operations, Homes and Communities
Sian Stroud, Corporate Director – Planning and Governance
Zoey West, Deputy Director – Economic Development

Apologies: Councillors Bisset and Mitchell

16 Appointment of Substitutes

Councillor Lewing for Councillor Bisset.

17 Declarations of Interest

The following declarations of interest were made:

Councillor Bayliss - Minute 20 (Levelling Up Round 2 Draft Bid) – As a member of Worcestershire County Council and Cabinet Member for Economy, Infrastructure and Skills

Councillors Allcott, Denham, Mackay and Stanley - Minute 20 (Levelling Up Round 2 Draft Bid) – As members of Worcestershire County Council

Councillor Riaz – Minute 21 (Termination of Revenues and Benefits Management Contract) – Brother is an employee of Civica.

18 Public Representations

None.

19 Minutes

RESOLVED: That the minutes of the meeting held on 24th May 2022 be approved as a correct record and signed by the Chair.

20 Levelling Up Round 2 Draft Bid

The Committee considered a report on the preferred projects for inclusion in the Levelling Up bid submission to Government. The Deputy Director – Economic Development presented the report and gave a presentation. She explained the three investment themes, how the funding works, the bid process and the

proposed projects. The Government deadline for submitting bids was 12 noon on 6 July. However, the online application portal was not yet open and therefore the deadline might be extended.

In summary, six projects had been shortlisted from the project longlist of eleven. All projects need to evidence their potential to support a number of key outputs and they also need a robust delivery plan so as to be able to start in 2022-23. Based upon this criteria and further review, two projects - Multi-Use Community Space and Riverside as a Destination – had not been recommended for further consideration for this funding stream.

The four remaining projects were presented to the Town Board on 13 June 2022. The Board unanimously agreed to endorse the shortlist. However, following further consideration by Officers, it was now proposed to remove the Museum and Art Gallery project as it potentially requires the acquisition of a further asset and/or ongoing revenue costs to the Council which cannot be estimated at this stage, and which cannot be included in the capital funding bid. Other options for bring this proposal forward will be explored.

Therefore the following three projects were proposed:

- Nunnery Wood Sports Complex - Redevelopment and refurbishment of track and field facilities, a Grandstand and additional indoor space to support an extended programme of activity - £9m
- Engine Works, Shrub Hill - Repurposing and bringing back into use listed industrial space with the creation of new mixed use office accommodation, workshop and creative spaces - £8m with £880k from Worcestershire County Council
- Pitchcroft Grandstand Development – Redevelop the grandstand in order to increase visitor numbers and attract more footfall to city centre. Facility for 300+ race-goers or conference delegates; riverside and racecourse views; access for neighbouring users of the site - £3m in total with £3m matched investment from Arena Racing Company.

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

- Officers advised that there will be a formal agreement with Arena Racing to deliver a share in profits from the Grandstand operation through amendment to the existing lease. The Nunnery Wood Sports Complex regeneration will increase usage and this will be reflected in the contract with Freedom Leisure. The Engine Works will bring the building back to a marketable and lettable condition. This is a joint venture and this initial funding will then kickstart further investment into the building, led by the County Council.
- Officers are not aware of any Levelling Up bids by other Worcestershire Councils which will provide competition. The County Council are making a large transport investment bid which is focussed on Shrub Hill railway station. It will be marked separately to our bid and therefore the two will not be competing against each other.
- The Deputy Director clarified that this is one bid for three projects, and they must all meet the gateway criteria in order for the bid to be successful. If the bid is successful, it will be for all three projects.

- The Pitchcroft investment will deliver benefits for the neighbouring river sports users and Arena Racing are committed to achieving this. The scheme will benefit the general public by making the green space more accessible. The Grandstand will be available for use on non-race-days and to a wider audience. Mott Macdonald are currently completing an assessment of the competition locally and will establish what the Grandstand can offer which is not available anywhere else. If approved, a detailed scheme for this project will be submitted to committee for consideration.
- It was noted that all the projects support City Plan themes.
- Some Members did not support the Racecourse proposal. The view was expressed by one Member that the Council should not look to benefit from activities which support gambling and alcohol sales as some people will see this investment as unethical, and it was suggested that the Council's share of the profit from the Grandstand scheme should come from conferencing activities only. Other Members stated that they respect but do not share this view and welcomed the scheme as it will significantly enhance the site and will make the facilities more accessible.
- Members commented on the value of the city's heritage buildings and the its arts and cultural assets. The view was expressed that the Museum and Art Gallery is a worthwhile project and Members expressed support for exploring alternative funding opportunities for this scheme.

In conclusion, Members supported a bid submission for the three preferred projects identified above.

RESOLVED: That the Committee agree to:

- 1. note the contents of this report and approves the preferred projects for inclusion in the Levelling Up bid submission to Government; and**
- 2. delegate to the Managing Director, in conjunction with the Chair and Vice-Chairs of this Committee, authority to finalise and make the bid submission to Government by the deadline.**

21 Termination Of Revenues And Benefits Management Contract

The Committee considered a report on the return of Revenues and Benefits to an in-house shared service. The Corporate Director – Finance and Resources presented the report and summarised the work which had been undertaken since the Committee's decision in December 2021 that management of the service should return from Civica to the Shared Service partnership arrangement that was previously in place.

Although the actual date of transfer had yet to be agreed, if the earliest requested date of 30 October 2022 is to be achieved, Council approval to terminate the contract early was required by the 5 July meeting to ensure that there is time for a full and detailed consultation with the staff who will transfer.

The service will remain hosted physically by Wychavon District Council but the staff will now transfer under TUPE regulations into the employment of Malvern Hills District Council, this being the least-cost option.

The significant savings which had been anticipated were not now expected to materialise and the reasons for this were set out in the report. The Council's proportion of the annual sum for the contract would therefore remain initially at its current level.

Changes in working practices were being explored to identify any potential efficiencies that may arise on transfer. The result of these considerations will be reported to the Committee at future meetings along with consideration of the option to withdraw from the partnership and re-establish a directly-managed service in house, post transfer.

Officers responded to questions from Committee Members. It was explained that Malvern Hills Council are not committed to the real living wage, however the transfer has been prepared at least detriment to the staff. It is intended that Civica will be treated as an admitted body for the purpose of the local government pension scheme.

RESOLVED: That the Committee recommend to Council the return of the Revenues and Benefits to an in-house shared service, with staff employed by Malvern Hills District Council, noting that further reports will be brought to this Committee once the transfer has been completed and a review of the service has commenced.

22 Any Other Business

None.

Duration of the meeting: 7.00p.m. – 7.58p.m.

Chair at the meeting on
26th July 2022