

CABINET

6.00 P.M.

3RD JULY 2018

PRESENT:- Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Nathan Burns, Darren Clifford, Brendan Hughes, Margaret Pattison and Andrew Warriner

Apologies for Absence:-

Councillor Anne Whitehead

Officers in attendance:-

Susan Parsonage	Chief Executive
David Brown	Interim Head of Legal and Democratic Services and Monitoring Officer
Anne Marie Harrison	Economic Development Manager (Minute 19 only)
Dave Rigby	Interim HR Manager
Stephen Metcalfe	Principal Democratic Support Officer

16 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

The Chairman advised that there were no items of urgent business.

17 DECLARATIONS OF INTEREST

No declarations were made at this point.

18 PUBLIC SPEAKING

Members were advised that there had been no requests to speak at the meeting in accordance with Cabinet's agreed procedure.

19 COASTAL REVIVAL FUND - NEW CALL FOR PROJECTS AND ACCOUNTABLE BODY ARRANGEMENTS

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Economic Development Manager, which provided information on the recent launch of a new round for the Government's Coastal Revival Fund (CRF). Approval was requested to bid to the CRF to support local community led business interest in redevelopment of the Co-Op Building for community use and approve an application for a council partnership capital project to match fund the bid. Cabinet was also requested to agree a protocol for considering any request from third party organisations for the council to act as the Accountable Body for their applications.

The options, options analysis, including risk assessment and officer preferred option, were set out in the report as follows:

The following options can be considered for bid to CRF for the Co-Op partnership

project proposal:

	Option 1: Do Nothing - continue to manage/maintain the Co-op building.	Option 2: Bid to CRF and use current capital resources to develop a community led refurbishment proposal for the Co-Op which could attract major funding in the future and to undertake property stabilisation works to prevent further deterioration, alongside further market testing.
Advantages	<p>No immediate impact on the council's budget.</p> <p>Basic holding costs currently covered by income lease (due for renewal) with Late Shop.</p>	<p>Builds on community interest and energy in one of the district's more deprived areas.</p> <p>Positive community led business project has much greater chance of funding opportunity and success.</p> <p>Could lead to positive economic use of the Co-Op and the opportunity to successfully exit from ownership of building secure in the knowledge it has a sustainable future.</p> <p>A successful bid would help mitigate current adverse impact on street scene. This would aid the attractiveness of Chatsworth Gardens to prospective tenants and the overall viability of that project.</p>
Disadvantages	<p>Potential for future unplanned maintenance and capital spend given the age and structure of the building.</p> <p>Misses out on potential to test community based solutions and interest to transfer development and building risk away from the city council.</p> <p>Currently no prospect of securing grant aid from external sources for any major project.</p> <p>Continuing adverse impact on West End street scene.</p>	<p>Officers have to project manage a basic refurbishment/feasibility project.</p> <p>Budget provision of circa £36K capital to be sourced from existing Winning Back the West End grant funds.</p>

Risks	<p>The council would continue to hold a property which has the potential to become a serious liability without significant intervention in future.</p> <p>Likelihood of incurring cost without deriving a benefit.</p> <p>Negative impact on adjacent Chatsworth Gardens scheme</p>	<p>There is no guarantee that any funding bid will be successful.</p> <p>In the long-term stabilizing works are unlikely to be sufficient to mitigate the risks of holding a property which has the potential to become a serious liability without significant intervention in future.</p> <p>The goal of the initial investment would be to secure a long-term future in association with community stakeholder interests.</p>
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With regard to the idea for the council to make a CRF application for the Co-Op building **Option 1: Do Nothing** is a continuing risky proposition as the council will be faced with unplanned capital expenditure in the medium and long term to meet repair obligations and secure the building for the benefit of the current Late Shop lease.

The Preferred Option is **Option 2: Bid to CRF and use current capital resources to develop a community led refurbishment proposal for the Co-Op which could attract major funding in the future and to undertake property stabilisation works to prevent further deterioration.**

It is intended to use the CRF proposal and initial funds as a first phase “jumping off” point for the development of a future major project, which could bring significant resources to refurbish the building. If successful, the project could provide an end to the council’s ongoing building liabilities and risks. A natural progression would be to follow up with a bid to a future round of the Coastal Communities Fund (CCF) main grants programme. CCF guidance will only accept capital projects at an advanced stage of development and capital projects need to be worked up to the RIBA Plan of Work Stage 4 technical design stage with detailed cost information.

There is no guarantee any bid will be successful as the MHCLG’s will undertake an assessment/scoring procedure and other national bids may be seen as simply a better ‘fit’ under the scheme. The market testing is to be undertaken alongside the main proposal may help identify other potential options for the building, but the outcome of this is very uncertain also.

Alongside the main proposal members should consider the positive benefits of additional external funding for the CCT area as ample justification for the council to agree to being the Accountable Body for third Party CRF applications subject to due diligence of the bidding organisations.

A CRF bid to develop the necessary plans and proposals for a community led refurbishment represents a good use of funds compared to other reasonable alternatives/ideas in the current market and the potential liabilities of ‘doing nothing’ given the building condition. There is no current or future prospect of external grant

assistance to help deliver a way forward for the Co-op building outside of a community based solution. Working with the Exchange Creative CIC and other key local stakeholders offers the best chance of bringing an important and prominent West End building back into productive use.

The report has also appraised Members on the issues and duties required in consideration of any future request for the council undertake an Accountable role for any application for funding under the current CRF.

Councillor Hanson proposed, seconded by Councillor Clifford:-

“That Option 2, as set out in the recommendations of the report, be approved.”

Councillors then voted:-

Resolved unanimously:

- (1) That a bid for £40K CRF funds is made to help develop a community business led refurbishment proposal for the Co-Op building which could attract major funding in the future and to undertake some property stabilisation works to prevent further deterioration.
- (2) That the CRF bid be matched with £36,565 current capital resources still held under the former Winning Back the West End scheme.
- (3) That the Council agrees to consider being the Accountable Body for third Party Coastal Revival Fund (CRF) applications subject to the review protocol and proportionate due diligence on any applicant/sponsor organisation as outlined in the report.
- (4) That the Revenue Budget / Capital Programme be updated accordingly to reflect the outcome of the above.

Officers responsible for effecting the decision:

Chief Officer (Resources).
Economic Development Manager.

Reasons for making the decision:

In supporting this CRF proposal, the council will be making progress against a number of its corporate objectives/outcomes as defined in the Corporate Plan 2018 - 22. Should the project be successful in generating a major refurbishment scheme and follow through to implementation it should actively support a Thriving and Prosperous Economy Sustainable Economic Growth outcomes, success, measures and actions.

20 EXECUTIVE TEAM: ROLES AND STRUCTURE

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Chief Executive to consider proposals for the

restructure of the Executive Team along with consultation responses and agree the way forward.

It was noted that the report, Appendices A and I were public, however all of the other appendices for this item were exempt from publication by virtue of paragraphs 1 and 2 of Schedule 12a of the Local Government Act 1972. If Cabinet wished to refer to the exempt documentation it was recommended that it would be necessary to exclude the press and public in accordance with Section 100A(4) of the Local Government Act 1972.

Councillor Clifford proposed, seconded by Councillor Warriner:-

“That the recommendations, as set out in the report, be approved, subject to the following addition to the final bullet point:-

and any continued engagement of the interim Human Resources Manager beyond 31st July 2018 and up to 31st March 2019 being met from a combination of turnover savings and the Budget Support Reserve.”

Councillors then voted:-

Resolved unanimously:

That Cabinet refers to Full Council for determination:

- The future operating model for the senior management team,
- The funding of the future operating model for the senior management team,
- To authorise the Deputy s 151 Officer to update the General Fund Revenue Budget accordingly, with upfront costs being met from the Restructuring Reserve and any continued engagement of the interim Human Resources Manager beyond 31st July 2018 and up to 31st March 2019 being met from a combination of turnover savings and the Budget Support Reserve.

Officer responsible for effecting the decision:

Chief Executive.

Reasons for making the decision:

The decision to refer determination to Full Council is in accordance with the City Council's rules of procedure and financial regulations, as set out in article 7.06(f) of the Constitution.

The restructure proposal is based on what is considered to be appropriate for the Council both now, and for the coming years. Where previous restructures have been in response to an identified need to reduce spend on staffing, this proposal is about the structure the Council needs to put in place to progress an ambitious agenda moving forward. Additionally, this proposal will bring savings to the Council in the longer term should it be implemented.

The restructure is intended to ensure the Council organisationally is in a position to meet

the Council's real ambitions in its Council Plan, to meet strategic objectives and the financial challenges that it faces in the future. This is a proactive business change in order to improve the Council's position and continue to improve services to residents.

Moreover, the restructure and the change process have not prevented innovative and creative proposals to financial challenges from moving forward. The restructure is a proactive change intended to step up the momentum on innovation, and enable creativity to achieve the results and embed new ways of working.

Chairman

(The meeting ended at 6.14 p.m.)

**Any queries regarding these Minutes, please contact Stephen Metcalfe, Democratic Services
- telephone (01524) 582073 or email sjmetcalfe@lancaster.gov.uk**

MINUTES PUBLISHED ON TUESDAY, 10th JULY 2018.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
MINUTE 19. WEDNESDAY, 18th JULY 2018.**

MINUTE 20. IMMEDIATE IMPLEMENTATION. THE DECISION HAS BEEN REFERRED TO COUNCIL FOR DETERMINATION IN ACCORDANCE WITH THE CITY COUNCIL'S RULES OF PROCEDURE AND FINANCIAL REGULATIONS, AS SET OUT IN ARTICLE 7.06(f) OF THE CONSTITUTION.