

NOTTINGHAM CITY COUNCIL

EXECUTIVE BOARD STRATEGIC REGENERATION COMMITTEE

MINUTES of the meeting held at Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 16 September 2014 from 3.02pm - 3.21pm

Membership

Present

Councillor Jon Collins (Chair)
Councillor Graham Chapman (Vice-Chair)
Councillor Nick McDonald
Councillor Jane Urquhart
Councillor Rosemary Healy
Councillor Dave Liversidge

Absent

Councillor Alex Ball

Colleagues, partners and others in attendance:

Vanessa Ward	- Project Manager
David Bishop	- Corporate Director for Development and Growth
Sue Flack	- Director for Planning and Transport
Geoff Walker	- Acting Director of Strategic Finance
Chris Henning	- Director of Economic Development
Stuart Knight	- Director of Strategic Asset and Property Management
Noel McMenamin	- Governance Officer
Rachel Mottram	- Executive Officer
Malcolm Townroe	- Head of Legal Services
Rex Littlewood	- Director, Gleeds Management Services
Simon Peters	- Acting Head of Estates

Call-in

Unless stated otherwise, all decisions are subject to call-in and cannot be implemented until 29 September 2014.

10 APOLOGIES FOR ABSENCE

Councillor Alex Ball

11 DECLARATIONS OF INTERESTS

None.

12 MINUTES

The Committee confirmed the minutes of the meeting held on 22 July 2014 as a correct record and they were signed by the Chair.

13 DOWNTOWN (SNEINTON MARKET) EUROPEAN REGIONAL DEVELOPMENT FUND (ERDF) PROJECT

The Committee considered the Leader/Portfolio Holder for Strategic Regeneration and Schools' report seeking approval to go to contract to deliver the Downtown (Sneinton Market) project.

The project will deliver 3,356 square metres of upgraded floor space in a number of units to be used by small to medium size businesses in the creative industries. It is estimated that the development will lead to the creation of 66 new employment opportunities and will continue the regeneration of the Sneinton Market area following previous investments in Sneinton Square and the Victoria Leisure Centre.

RESOLVED to

- (1) delegate authority to the Corporate Director for Development and Growth, in consultation with the Leader/Portfolio Holder for Strategic Regeneration and Schools to enter into a contract to deliver the Downtown scheme, subject to the final overall capital cost of the scheme not exceeding £3,890,960;**
- (2) accept funding from SCAPE Community Investment Fund to the value of £70,000 in order to deliver the recently awarded SCAPE Community Investment Fund bid for a 'Community Space' and to award such contract under SCAPE frameworks to deliver the Community Space;**
- (3) enter into contracts with professional advisors in order to provide a range of services in relation to the project;**
- (4) conduct a procurement exercise for the appointment of an Operator for the Downtown scheme and delegate authority to the Corporate Director for Development and Growth in consultation with the Leader/Portfolio Holder for Strategic Regeneration and Schools to enter into a contract for the provision of this service with the successful bidder;**
- (5) authorise for immediate expenditure £200,000 to enable the contractor and professional advisors to continue working on the technical designs and enabling works and to delegate authority to the Corporate Director for Development and Growth in consultation with the Leader/Portfolio Holder for Strategic Regeneration to enter into agreements for the provision of these services using the SCAPE National Framework.**

Exemption from call-in

The Chair of Overview and Scrutiny gave approval for Resolutions 1-5 above to be exempt from call-in in order that the contract may be placed at the earliest possible opportunity.

Reasons for decisions

In order to meet the grant conditions for the funding awarded to the project its delivery is being run to strict timescales. In order to meet these timescales the contractor has to be instructed by a certain date. The contractor has provided initial costs based on the City Council's scope and they are not envisaged to be over the cap set in Resolution 1.

There is an area of approximately 100 square metres, which will be known as the Community Space, which is part of the overall Downtown scheme, but sits outside the boundary of work that is being undertaken through the ERDF grant. A contractor and advisors are required in order to deliver this aspect of the proposals.

In order for the City Council to successfully deliver the scheme and comply with both grant conditions and relevant legislation the use of a professional advisor is required.

Under the terms of the grant conditions the City Council is required to procure an operator in order to manage the premises once they become operational. The operator will be responsible for undertaking all estate management responsibilities associated with the development in accordance with a contract with the City Council.

The sum of £200,000 at Resolution 5 will enable the contractor and professional team to undertake design and enabling works to maintain the programme. Not allocating this money risks a delay to the project and heightens the potential ERDF grant loss.

Other options considered

To withdraw from the scheme. This would mean that the £2.44 million of ERDF grant funding would have to be turned down and repayment of grant received to date. In addition to this abortive costs of £0.316 million would need to be funded by the Council and having already started the decant process the area would be likely to deteriorate as fewer people access it.

To provide additional funding to the scheme in order to produce units to a higher specification. This would require an additional un-budgeted draw down from the capital programme. It would also either increase the revenue shortfall for the Council or increase the rents that are charged for the property, possibly pricing out of the market some of the smaller start-up businesses out of being able to access the new scheme.

14 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining agenda item in accordance with Section 100 4(A) of the Local Government Act 1972 on the basis that, having regards to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

15 BIOSCIENCE EXPANSION PROJECT

The Committee considered the Leader/Portfolio Holder for Strategic Regeneration and Schools' exempt report.

RESOLVED to approve the recommendations in the report and to approve an additional recommendation, as recorded in a separate exempt minute.

Reasons for the decision

As detailed in the exempt minute.

Other options considered

As detailed in the exempt minute.