

# **JOINT CABINET AND EMPLOYMENT & GENERAL COMMITTEE**

**Tuesday, 26th July, 2016**

Present:-

Councillor Burrows (Chair)

Councillors	Huckle T Murphy Ludlow Blank A Diouf	Councillors	J Innes Elliott Simmons Davenport Dickinson
Non-voting Members	Brown Hollingworth		Wall

\*Matters dealt with under the Delegation Scheme

## **14 DECLARATION OF MEMBERS' AND OFFICERS' INTERESTS RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

## **15 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Bagley, T Gilby and Serjeant.

## **16 MINUTES**

### **RESOLVED –**

That the Minutes of the meeting of the Joint Cabinet and Employment and General Committee of 12 July, 2016 be approved as a correct record and signed by the Chair.

## **17 LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF PUBLIC**

### **RESOLVED –**

That under Regulation 21 (1)(b) of the Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2000, the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in the following Paragraphs of Part 1 of Schedule 12A to the Local Government Act 1972 – Paragraph 3 on the grounds that it contained information relating to financial or business affairs of any particular person (including the authority holding that information).

## **18 NORTHERN GATEWAY REVISED SCHEME PROPOSALS**

The Economic Growth Manager submitted a report to update the committee on the progress of the Northern Gateway scheme and to seek approval for the development of revised proposals to move the scheme forward. The report also referenced how the Sheffield City Region Investment Fund (SCRIF) grant offer allocated through the SCRIF programme would help bring forward the Northern Gateway scheme and act as a catalyst for regeneration in the town centre.

The Council was approached in January 2015 by Jomast Developments and Midlands Co-operative Society who were developing a scheme for the former Co-operative department store on Elder Way, Chesterfield. It was agreed to pause the competitive dialogue process on the Northern Gateway scheme to allow Jomast the time and opportunity to develop the Elder Way scheme further. A planning application was submitted in September, 2015 and approved in December, 2015 to refurbish the Co-op building and deliver a multi-occupied leisure scheme consisting of six restaurants, a hotel and a gym.

The pause in the process allowed the Council to undertake an options appraisal of the Northern Gateway scheme to understand the type and mix of development that could be deliverable on the site and take in to account surrounding developments. Using HCA Local Capacity Funding, expert commercial advice was obtained from Cushman and Wakefield and their findings were presented in December 2015, which affirmed a demand for leisure with strong interest from hotel operators and national restaurant chains. The findings also revealed that there was a low demand from retail with only limited interest being shown by lower value retailers. However, the options appraisal confirmed that there would not be sufficient occupier interest for another hotel and further restaurants in addition to those already incorporated in the Co-op development.

Taking into account the options appraisal and planning approval for the Co-op development, the report proposed a revised scheme that incorporated the redevelopment of the former Co-op building, refurbishment of Saltergate multi-storey car park, creation of 2350sqm of managed office space and public realm works that provided enhanced connectivity from the Northern Gateway site to the town centre. It was estimated that the scheme would create 489 new jobs, an up-lift in Gross Value Added (GVA) of £16m, and an improved town centre offer. The scheme was estimated to cost £19.9m with funding from SCRIF, Chesterfield Borough Council (CBC) and the private sector.

A revised proposal for SCRIF funding was considered and approved by the SCR Infrastructure Board in February, 2016 though subject to a full business case which was anticipated to be submitted in Summer 2016. The proposed scheme would be delivered solely by CBC (alongside the re-development of the Co-op by Jomast); the benefits of this were outlined in the officer's report. The revised scheme also allowed for potential future development involving retail and residential.

To ensure that CBC had adequate officer resources to manage all elements of the revised programme, the report proposed to establish a project management post within the Economic Development Unit for a fixed term of 2 years. Taking into account on costs, the salary for the post would be affordable for the 2 year fixed term period within the sum set aside in the Service Improvement Plan. The job description and person specification were attached as appendices to the report.

The financial implications were set out in the report and information was provided on the allocated funding from SCRIF and the contribution required from CBC and how this would be financed. The report also outlined the human resources, legal and data protection implications. Details of consultations and risk management and equalities impacts were also included along with alternative options and reasons for rejection.

**\*RESOLVED –**

- (1) That a new fixed-term post of Project Manager be established within the Economic Development Unit.

That the Joint Cabinet and Employment and General Committee recommend to Council:

- (2) That a full business case be submitted to Sheffield City Region for the proposals outlined in the officer's report.
- (3) That approval be granted to enter into a Sheffield City Region Investment Fund (SCRIF) grant funding agreement with Sheffield City Region and that Chesterfield Borough Council allocate match funding, estimated to be £3.57million, to the revised Northern Gateway scheme.
- (4) That approval be granted for the delivery of the revised Northern Gateway scheme as outlined in the officer's report and that delegated authority be granted to the Chief Executive, Leader of the Council and Chief Finance Officer in conjunction with the Economic Growth Manager to progress the delivery arrangements subject to confirmation of the SCRIF grant.
- (5) That approval be granted to update the Treasury Management Prudential Indicators, as outlined in the officer's report.
- (6) That approval be granted to progress with Option 1 of the proposals set out within the officer's report to expedite the re-development of the former Co-op building and that delegated authority be given to the Chief Executive, Leader of the Council and Chief Finance Officer in conjunction with the Economic Growth Manager to finalise the lease agreements.
- (7) That the £100k previously set aside to finance the external procurement process for development partners from the Service Improvement Reserve be used to support the creation of a new Project Management post to lead on delivery of the revised Northern Gateway scheme.

## **REASON FOR DECISIONS**

To ensure that the regeneration of the Northern Gateway is achieved and that employment opportunities are maximised. Delivery of the project proposed within the recommendations will ensure that residents and visitors to the town are able to benefit from a quality destination in line with the aspirations of the town as highlighted in the Town Centre Masterplan.