

AA1

THE CABINET

MEETING, 6TH MARCH, 2020

Councillor Greenhalgh	Leader's Portfolio
Councillor Cox	Deputy Leader's Portfolio
Councillor Haslam	Highways and Transport
Councillor Muslim	Stronger Communities
Councillor Warren	Environmental Service Delivery
Councillor Hewitt	Strategic Housing and Planning
Councillor Galloway	Environmental Regulatory Services
Councillor Morgan	Adult Social Care

Other Members in Attendance

Councillor Walsh
Councillor Dean
Councillor P. Wild
Councillor Mrs. Thomas
Councillor Peel
Councillor Sherrington (as
deputy for Councillor
Zaman)
Councillor Haworth (as deputy for Councillor Adia)
Councillor Hayes
Councillor Hornby
Councillor Sanders

Officers

Mr. T. Oakman	Chief Executive
Mr. G. Brough	Director of Place
Ms. B. Brown	Director of People
Ms. S. Johnson	Director of Corporate Resource
Dr. H. Lowey	Director of Public Health

Mr. J. Hundal	Assistant Director Economic Development and Regeneration
Ms. J. Duxbury	Estates and Property Development Manager (Town Centres)
Mr. G. Gallagher	Head of Policy, Performance and Communications
Ms. M. Harris	Senior Lawyer
Mrs. V. Ridge	Democratic Services Manager

Apologies for absence were submitted on behalf of Councillors
Adia, Allen, Baines, Brady, Hewitt and Zaman

Councillor Greenhalgh in the Chair.

69. MINUTES

The minutes of the proceedings of the meeting of the Cabinet held on 24th February, 2020 were submitted and signed as a correct record.

70. MINUTES OF THE MEETING OF THE GREATER MANCHESTER COMBINED AUTHORITY

The minutes of the meeting of the Greater Manchester Combined Authority held on 14th February, 2020 were submitted for information.

71. CORPORATE DASHBOARD QUARTER 3 2019/2021 UPDATE

The Chief Executive submitted a report which provided members with an updated Corporate Performance Dashboard for the Council for quarter 3 2019/2021.

Members were advised that the dashboard was intended to highlight the Council's performance against key performance indicators (KPIs) which had been identified in the previous iterations of the dashboard. It was stated that the dashboard had been reviewed and updated accordingly to account for a

more detailed response, particularly for those indicators that were updated annually.

Appendix 1 signified the latest position against the key corporate priorities.

Resolved – That the report be noted.

72. BOLTON'S ACTIVE, CONNECTED AND PROSPEROUS BOARD TERMS OF REFERENCE

The Executive Cabinet Member for Adult Social Care and the Director of Public Health submitted a report which put forward changes to the current Health and Wellbeing Board and its Terms of Reference.

By way of background, members were reminded that Health and Wellbeing Boards were statutory bodies introduced in England under the Health and Social Care Act 2012 and they were a means to deliver improved strategic co-ordination across the NHS, social care, children's services and public health. In Bolton, a Shadow Partnership Board was established which was jointly chaired by the Local Authority and Bolton's Clinical Commissioning Group. This Board had taken on the statutory roles and functions of the Health and Wellbeing Board.

Members were advised that to achieve the statutory functions of a Health and Wellbeing Board whilst driving forward innovation, ensuring the social determinants of health were addressed and streamlining governance at a time of reduced capacity, it had been agreed at Bolton's Vision Steering Group and Bolton's Shadow Partnership Board that the Vision Steering Group and Bolton's Health and Wellbeing Board would merge.

In view of the above, it was proposed that this merged group be renamed 'Bolton's Active, Connected and Prosperous Board (The ACP Board)'. It was stated that this reflected the Council and CCG's statutory responsibilities and to build upon the excellent work that had been driven forward whilst marking the

stages in implementing Bolton's 2030 Vision. A copy of the draft Terms of Reference had also been produced and these were detailed in Appendix 1 to the report.

Resolved – That Council, at its meeting on 18th March, 2020, be recommended to approve the draft terms of reference of the newly merged Bolton's Active, Connected and Prosperous Board.

73. BLACKHORSE STREET INTERVENTION AREA AND JOINT VENTURE DEVELOPMENT COMPANY PROPOSALS

The Executive Cabinet Member Deputy Leader and the Director of Place submitted a report which set out proposals for the Council to establish a joint venture to deliver further town centre regeneration.

Members were advised that the intention was to consider establishing a sixth intervention area within the Town Centre to address the issues associated with a continual need to embrace innovation and provide business with super-fast digital connectivity. It was proposed that the area outlined in red on the plan attached at Appendix 1 be referred to as the 'Blackhorse Street Intervention Area' would be the sixth intervention area.

It was suggested that the creation of a commercial Joint Venture (JV) partnership could be the most appropriate means of regeneration of the area, since it would enable the Council to retain a greater degree of control in the delivery of development in and around Blackhorse Street and would also enable the Council to share in any development profits. A brief summary of the advantages and disadvantages of pursuing a JV approach was provided in Appendix 2 to the report.

In terms of going forward members were advised that there were several types of JV's available for the Council to use for the delivery of regeneration programmes and, if the proposal was approved, officers would explore the various possible JV options, prior to seeking approval to proceed with an open and

transparent procurement process aimed at establishing the JV partnership. Details of the steps this would involve were outlined in the report.

In conclusion, it was stated that designating a sixth Blackhorse Street Intervention Area and authorising officers to investigate various, commercial JV partnership options was the most appropriate way to regenerate the area in question and, in the process, transform to create a Digital City at the heart of Bolton's Town Centre. In terms of the financial implications, these were limited to the cost of officer time, since no additional costs would be incurred until approval was given to start the land assembly and procurement exercise. Once this exercise had been completed a further report would be submitted to members detailing the company structure, shareholders capital and recommended JV partner/s.

Resolved – (i) That the proposals in respect of Blackhorse Street Intervention Area as detailed in the report be noted and that officers be authorised to proceed in accordance with these proposals.

(ii) That the Director of Corporate Resources be authorised to carry out all the necessary due diligence and other formalities.

(iii) That the Borough Solicitor be authorised to complete all the necessary legal formalities.

74. EXCLUSION OF PRESS AND PUBLIC

Resolved – That, in accordance with Section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as specified in paragraph 3 of Part 1 of Schedule 12A to the Act; and that it be deemed that, in all the circumstances of the case, the public interest in their exemption outweighs the public interest in their disclosure.

75. TRINITY GATEWAY

The Executive Cabinet Member Deputy Leader and the Directors of Place and Corporate Resources submitted a report which provided an update in relation to the proposals for Trinity Gateway.

Members were advised that the proposals detailed within the Regeneration Plan for Trinity Quarter were to develop the intervention area as a fast-evolving gateway to Bolton, integrating a state of the art transport interchange with high quality office accommodation. Trinity Gateway ("the project") was an area set within Trinity Quarter for which Beechlane (Investments) Limited had proposed a development that would comprise of a 20 storey residential tower of 144 apartments, 30,000 sq. ft of grade A office space and a 505 space multi storey car park which would serve the development and town centre in general. The project received planning permission on 19th December, 2019 and was at an advanced stage in terms of the development proposals it was, therefore, essential that a suitable financing deal could be placed to enable the delivery of the project.

Members were informed that having explored a number of financial arrangements with external advisors, it was clear that the best way to secure the funding needed to deliver the project and meet the Council aspirations, was to agree a funding arrangement where the Council underwrites repayments to the investor. It was explained that when considering the most appropriate way to facilitate delivery of the project, officers had considered a number of alternative options and commissioned external technical, financial and legal experts to assess which of these options might be the best way to fund these projects and how risks associated with the funding could be best mitigated.

The Council had appointed CMS as legal advisors, KPMG as financial advisors and JLL as technical and commercial advisors to work alongside Council officers on the project and the advice which had been received from all three organisations was detailed in the report.

Furthermore, the appointments referred to in paragraph 4.26 of the report were made pursuant to the Council's Standing Orders relating to Contracts. However, given the complex nature of the advice required, the costs incurred under those appointments were due to exceed the threshold delegated to the Director of Place. In view of this, it was proposed that the Council's Standing Orders be waived in order that the value of the appointments could be extended to within permitted thresholds per advisor and per project to cover the full process of advising in relation to the funding options on a project by project basis.

Information was also provided in the report in relation to the following, viz:-

- Statutory powers;
- Statutory obligations;
- Procurement;
- State Aid;
- Due diligence;
- Financial implications;
- VAT; and
- Audit and Risk.

Resolved – (i) That Option 2 in relation to the Trinity Gateway Project, as detailed in the report, be approved.

(ii) That the Council's Standing Orders relating to Contracts be waived as detailed in the report submitted.

(iii) That the Director of Corporate Resources be granted delegated authority to carry out all necessary financial due diligence and negotiate the funding arrangements for the Trinity Gateway Project.

(iv) That the Borough Solicitor be granted delegated authority to carry out all the necessary legal formalities.

76. BOLTON TOWN CENTRE – OPTION AGREEMENTS FOR KEY PROJECTS

The Executive Cabinet Member Deputy Leader and the Director of Place submitted a report which advised members of a proposal to grant options in regard to Le Mans Crescent and Trinity Gateway and to amend the option for Crompton Place.

Members were informed the option agreements originally envisaged no longer aligned with consideration being given to alternative funding and whilst it was acknowledged that further reports would be needed to confirm the Councils engagement in this process, the grant of options would enable the developer to secure funding to enable design and pre-construction work to continue.

Details of the proposed options were outlined in the report.

The report also advised that the Council had appointed CMS as legal advisors, KPMG as financial advisors and JLL as commercial advisors to the project and these were made pursuant to the Council's Standing Orders relating to Contracts. However, given the complex nature of the advice required, the costs incurred under those appointments were due to exceed the threshold delegated to the Director of Place. It was therefore proposed that the Council's Standing Orders relating to Contracts be waived in order that the value of the appointments could be extended but remain within permitted thresholds per advisor per project and cover the full process of advising in relation to the funding options on a project by project basis.

Resolved – (i) That the Director of Place, in consultation with the Executive Cabinet Member Deputy Leader's Portfolio, be authorised to negotiate and conclude the option agreements in respect of Crompton Place, Le Mans Crescent and Trinity Gateway.

(ii) That the Council's Standing Orders relating to Contracts be waived as detailed in the report submitted.

(iii) That the Borough Solicitor be authorised to conclude the legal formalities.

(iv) That the Borough Treasurer be authorised to make the appropriate budgetary provisions.

**77. BOLTON CENTRAL, GREAT MOOR STREET,
BOLTON**

The Executive Cabinet Member Deputy Leader and the Director of Place submitted a report which updated members on proposals in respect of Bolton Central on Great Moor Street, Bolton.

Resolved – (i) That the Director of Place, in consultation with the Executive Cabinet Member Deputy Leaders Portfolio, be authorised to negotiate and conclude the agreements in respect of Bolton Central on Great Moor, Street, Bolton as detailed in the report.

(ii) That the Borough Solicitor be authorised to conclude the legal formalities.

(iii) That the Director of Corporate Resources be authorised to make the appropriate budgetary provisions.

78. OCTAGON THEATRE – REDEVELOPMENT UPDATE

The Executive Cabinet Member Deputy Leader and the Director of Place submitted a report which advised members of the progress which had been made with the re-development of the Octagon Theatre and sought approval of the funding arrangements as detailed in the report.

Members were reminded that the Cabinet at its meeting on 25th June, 2018 approved a gross capital budget of £11,594,502 for the Octagon Redevelopment Project which comprised of £4.3 million Arts Council Grant Funding, £2 million Octagon Theatre Trust contribution and £5.3 million capital contribution from Bolton Council to be funded from the £100 million Town Centre Strategy. Furthermore, the budget agreed in June, 2018

contained a contingency of £527,500 (approximately 5% of the overall budget) to cover risks associated with unforeseen costs during construction. It was stated that this was at the lower end of the range for a project of this size which could typically be up to 10%.

Members were informed that shortly after the agreement to proceed was approved, the project encountered some significant unforeseen ground conditions. These, along with other cost issues, had applied pressures to the project budget and the set-aside contingency element. The latest unforeseen issue related the discovery of asbestos, which had created further unscheduled work and a resultant extension to the contract duration. The programme had now been pushed back to early May, 2020 for completion of the building/external works and, as such, this had several consequences both from a progress and financial perspective. Some of the key issues that had led to cost overruns and delays were summarised in the report.

The report also provided details in relation to the financial implications of the delay and the issues encountered.

In view of this approval was sought for an additional £231,000 of capital funding to meet additional costs of equipment and funding to cover the additional capital requirement had been identified within the existing Town Centre Strategy. Furthermore, an additional revenue funding of £188,000 was sought to mitigate lost revenue as a result of the delayed re-opening of the theatre. It was stated that the additional revenue would be incorporated with the existing, agreed revenue funding of £145,380 per year, to provide a total revenue funding grant of £334,000 for the period 1st April, 2020 to 31st March, 2022. Any additional revenue support over and above existing Place Directorate's existing allocated Octagon Revenue Support budget would be met from Place Directorate reserves.

Resolved – (i) That the progress and actions undertaken on the Octagon Redevelopment project to-date be noted.

(ii) That additional capital funding of £231,000 for fixtures, fittings/equipment costs of the Octagon Redevelopment and further identified risks and contingency to the end of the project be approved.

(iii) That the Director of Place be given delegated authority to make available up to £334,000 revenue grant covering the period 1st April, 2020 to 31st March, 2022, subject to the receipt of a satisfactory business plan and cashflow details from the Octagon Theatre Trust.

79. GROUNDWORK BOLTON, BURY, OLDHAM AND ROCHDALE

The Executive Cabinet Member for Environmental Service Delivery and the Director of Place submitted a report which sought members approval of the proposal from Groundwork BBOR (Bolton, Bury, Oldham and Rochdale) to merge with Groundwork MSSTT (Manchester, Salford, Tameside and Trafford).

Members were advised that a detailed report which provided the background and context to the proposed merger was discussed by both Groundwork BBOR and Groundwork MSSTT boards in May/June, 2019 and the 2 boards which currently oversee the work of the each of the trusts indicated that coming together of the two trusts was the direction of travel they wanted to take.

The report advised that Groundwork had confirmed that a robust due diligence process was undertaken and a full business case was put together to enable the boards of both Groundwork BBOR and MSSTT to make a decision on the proposal at separate board meetings on 3rd October, 2019. It was agreed by both boards that the trusts should merge and become Groundwork Greater Manchester which would be a company limited by guarantee with charitable status. The objectives of Groundwork BBOR and Groundwork MSSTT would be reflected in Groundwork Greater Manchester's objectives.

The report also provided information in relation to the governance arrangements, the consultation process; and the proposed arrangements for future engagement and involvement of local authority partners.

It was proposed that Groundwork BBOR and Groundwork MSSTT merge with effect from 1st April, 2020.

Resolved – (i) That the proposed merger of Groundwork BBOR (Bolton, Bury, Oldham and Rochdale) with Groundwork MSSTT (Manchester, Salford, Stockport, Tameside and Trafford) be agreed.

(ii) That the revised articles of association be adopted.

(iii) That the Borough Solicitor be given delegated authority to complete the legal formalities.