

## **CORPORATE AND EXTERNAL ISSUES SCRUTINY COMMITTEE**

MEETING, 21<sup>ST</sup> NOVEMBER, 2016

Present – Councillors Shaikh (Chairman), Ayub, Cox, Darvesh, Mrs. Fairclough (as deputy for Councillor Greenhalgh), Gibbon, Gillies, Haworth, Hayes (as deputy for Councillor Martin), Hornby, McKeon and P. Wild (as deputy for Councillor Critchley).

### Also in attendance

Councillor Morris	-	Executive Cabinet Member Leader's Portfolio
Councillor Zaman	-	Cabinet Member for Development and Regeneration and Human Resources
Councillor Adia	-	Executive Cabinet Member for Regeneration and Resources
Ms. M. Asquith	-	Chief Executive
Mr. S. Young	-	Director of Place
Ms. H. Gorman	-	Borough Solicitor
Mr. K. Coop	-	Projects and Programme Manager TfGM
Mrs. V. Ridge	-	Democratic Services Manager

Apologies for absence were submitted on behalf of Councillors Critchley, Donaghy, Greenhalgh, Martin and Whitehead.

Councillor Shaikh in the Chair.

### **19. MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting of the Committee held on 3<sup>rd</sup> October, 2016 were submitted.

Resolved – That the minutes be signed as a correct record subject to the inclusion in Minute 12 of the following bullet point in relation to members comments 'The priority to anti-

poverty/social inclusion in Bolton including access to Wi-Fi and the increase in expectation of mobile access to digital’.

## **20. THE COMMITTEE WORK PROGRAMME 2016/2017**

The Borough Solicitor submitted a report which detailed the proposed work programme for 2016/2017.

Resolved – That the proposed Work Programme for 2016/2017 be approved.

## **21. UPDATE ON BOLTON INTERCHANGE**

Mr. K. Coop, Projects and Programme Manager Transport for Greater Manchester, gave a presentation to members which provided an update on the Bolton Interchange.

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

- The existing Moor Lane Bus Station;
- The project outputs/project scope;
- The new facilities;
- Transport for Greater Manchester Investment in Bus Infrastructure;
- The Bolton Interchange;
- Photographs of the progress which had been made;
- The skylink bridge;
- The measures which had been incorporated within the proposals to reduce energy consumption and improve sustainability;
- Community initiatives; and
- The next steps.

Following the presentation, the following comments/ observations were made:-

- The design of the skylink bridge; and
- The anticipated number of people who would use the interchange.

Resolved – That the presentation be noted.

## **22. UPDATE ON TOWN CENTRE DEVELOPMENTS**

Mr. S. Young, Director of Place gave a presentation to members which provided an update in relation to the Town Centre Developments.

Information was provided in relation to the following schemes which had/were in the process of being delivered within Bolton, viz:-

- The re-development of the Market Place;
- The regeneration of Newport Street;
- The Bolton Interchange;
- The secured office developments;
- The refurbishment of the Albert Halls;
- The Libraries and Museum Service;
- The re-development of the Octagon Theatre;
- Bow Street Development 'The Link';
- The University Campus;
- The Audi Garage;
- Town Centre Events; and
- Schemes which were in the pipeline.

Members were then shown a video of the achievements within Bolton.

Following the presentation the following comments/ observations were made:-

- Were there any refurbishment plans for the businesses on Great Moor Street opposite the new Interchange; and
- Were there any plans for the former Odeon site.

Resolved – That the presentation be noted.

## **23. UPDATE ON GREATER MANCHESTER DEVOLUTION**

Ms. H. Gorman, Borough Solicitor gave a presentation which provided an update on the recent developments with regard to Greater Manchester Devolution.

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

- Update on the Orders for Tranche1;
- Update on the Orders for Tranche 2;
- Further orders in relation to Health; Fire; and Police; and
- Areas which were still in discussion with GM.

Following the presentation, the following comments/observations were made:-

- The future of the GM Waste Contract and the implications of this; and
- Scrutiny arrangements.

With regard to the GM Waste Contract, members were advised that all members of the Council would receive a presentation in the near future.

Resolved – That the update be noted.

#### **24. THE PLACE DEPARTMENT 2016/2017 QUARTER ONE FINANCE REPORT**

A report of the Director of Place and the Borough Treasurer was submitted which provided information relating to the quarter one financial position for Development and Regeneration (excluding Housing Services) (including Corporate Property Services) for the 2016/2017 financial year.

Members were advised that in respect of the revenue expenditure Development and Regeneration (excluding Housing Services) (including Corporate Property Services) there was a projected underspend against the budget by £45,000 after reserve movements. Capital expenditure for Development and Regeneration, as at quarter one was £519,000 against a revised projection of £9,499,000 and capital expenditure for Property Services as at quarter one was £152,000 against a revised projection of £2,648,000. The department's general reserve had a projected final outturn of £83,039 for the year end.

The report also stated that the budgeted efficiency savings for 2016/2017 for Development and Regeneration and Property Services were £1,358,000 and all planned efficiencies were projected to be achieved. With regard to risk, it was explained that specific areas of financial risk related to reduction in income due to property occupancy levels and the work programme contract.

Resolved – That the report be noted.

## **25. THE PLACE DEPARTMENT 2016/2017 - QUARTER ONE 2016/2017**

The Director of Place submitted a report which gave a current overview of the priorities for services within the Place Department, the relevant performance information for Bolton Community Leisure Trust and provided the 2016/2017 internal departmental Quarter 1 position.

The report provided information in relation to the following:-

- A summary of key performance;
- Delivering the strategic and service priorities; and
- An update on the delivery of operational priorities.

Resolved – That the report be noted.

## **26. AGMA BUSINESS SUMMARY REPORT**

The Borough Solicitor submitted a report which set out the appointments made by the Council to the various joint authorities and also gave a summary of the business considered at the authority meetings.

Members were reminded that part of the remit of this Scrutiny Committee was to monitor and review and, where appropriate, make recommendations regarding the work of outside organisations. The report focused on one aspect of this, in terms of the added value by the AGMA bodies, including AGMA Executive Board, The Combined Authority, Greater

Manchester Fire and Rescue Authority and Greater Manchester Waste Disposal Authority.

Resolved – That the report be noted.

## **27. MEMBERS BUSINESS**

In accordance with Standing Order 36, Councillor Hayes submitted the following questions and the answers were provided by the Director of Place in consultation with the Executive Cabinet Member Leader's Portfolio.

### **Question 1**

In respect of the land at Clarence Street which had been provided to the developer, apparently without charge (*answer to question by Councillor Critchley at Scrutiny Committee on 17<sup>th</sup> February 2016*);

- a) when it was transferred back to the Council (*Meeting of the Meeting of the Leader's portfolio on 13<sup>th</sup> July 2016, Item 3*) was any payment made for it by the Council?

### **Answer**

No

b) was the market value as assessed at the time of transfer to the developer the same as the market value assessed at the time of its transfer back to the Council? If not, what was the reason for any variation?

### **Answer**

It was the same value.

c) In view of the piling and other abortive works carried out in the site prior to its return to the Council is its marketable potential believed to be the same?

### **Answer**

It is considered to be no worse.

d) Is the Council or Asons responsible for sorting out the abortive work already carried out on the site?

**Answer**

No remedial works are planned on the site following its transfer back to the council or prior to any onward sale.

e) What is the estimated cost to the Council (including officer time, fees etc.) of this double transfer?

**Answer**

Unable to quantify but no more than any other transfer we conduct.

**Question 2**

In relation to the grant given to Asons (*Executive Member Meeting, Leader's portfolio 7<sup>th</sup> November 2016, Item 32*) when was the decision taken, and why was the Emergency Powers Procedure necessary?

**Answer**

The deal with Asons was discussed during early September and formally signed subject to legal consideration on the 20th September. This was taken as emergency powers as Asons were still activity considering their position and still considering a potential move out of the area so we wanted to tie the business into the town centre and this was incredibly time sensitive as we were under the impression other negotiations were taking place in parallel and we wanted to provide comfort to Asons as to our intentions.

**Question 3**

The amount of the grant is reported as being £300,000. As it exceeds 200,000 euros, it is likely to be subject to the State Aid rules and potentially illegal. Was this possibility investigated before the grant was given and what was the advice given?

**Answer**

The implications of state aid were investigated fully and comprehensively considered before an award was made. This included a fully review of the award with the EU who confirmed the award was within the scope of State Aid.

**Question 4**

According to reports in 'The Bolton News' Asons were going to spend £6 million of their own money on the proposed building at Clarence Street. When that project was dropped, they were going to reinvest the £6 million into their business. They are reported to have paid £1.1 million on 'Newspaper House', so they should have had £4.9 million still available. Why then did they need a grant of £300,000?

**Answer**

The investment was paid to Asons to secure their continued commitment to a town centre location for the next 5 years in the wake of other interest. This involvement will secure Business Rates receipts to the council of around £500,000 as well as 263 jobs and a wider economic impact on the economy of £10.5 million. It is not possible to comment on Asons current capital investment funds.

**Question 5**

Have Asons made any compensation claims against this Council? If so, what was the value of any payments made and the cost of defending those claims?

**Answer**

No. Zero

The Committee received the extracts of minutes of other meetings of the Council relevant to the remit of this Committee:-

- (a) The Executive Cabinet Member Leader's Portfolio held



on 10<sup>th</sup> October and 7<sup>th</sup> November, 2016;

- (b) The Executive Cabinet Member for Regeneration and Resources Portfolio held on 10<sup>th</sup> October and 14<sup>th</sup> November, 2016; and
- (c) The Cabinet held on 10<sup>th</sup> October and 7<sup>th</sup> November, 2016.

A number of questions were raised in relation to minute 32 'Asons Solicitors, 40 Churchgate, Bolton – Use of Emergency Powers Procedure' of the Executive Cabinet Member Leader's Portfolio on 7<sup>th</sup> November, 2016.

Resolved – (i) That the Members Questions and answers provided be noted.

(ii) That the minutes of the various meetings be noted.

(The meeting commenced at 5.30 p.m. and ended at 6.50 p.m.)