



SCRUTINY COMMITTEE

THIS WAS A REMOTE MEETING HELD IN ACCORDANCE WITH THE CORONAVIRUS ACT 2020

Thursday, 22nd October, 2020 at 6.30 pm

PRESENT

MEMBERS

Councillors A Tatchell (Chair), M Johnstone (Vice-Chair), H Baker, P Campbell, T Commis, D Ferrier, A Fewings, B Foster, S Khan, G Lishman, S Lone, T Martin, L Mehanna, A Newhouse and A Royle

OFFICERS

Mick Cartledge	– Chief Executive
Lukman Patel	– Chief Operating Officer
Howard Hamilton-Smith	– Head of Finance and Property
Kate Ingram	– Strategic Head of Economy and Growth
Alison McEwan	– Democracy Officer
Christine Wood	– Democracy Officer
Chris Gay	– Governance Manager

IN ATTENDANCE

MEMBERS

Mark Townsend	– Leader of the Council
Lian Pate	– Deputy Leader & Executive Member for Health & Wellbeing
Afrasiab Anwar	– Executive Member for Community & Environmental Services
Sue Graham	– Executive Member for Resources & Performance
John Harbour	– Executive Member for Housing
Margaret Lishman	

1. Apologies

No apologies had been received.

2. Minutes

The Committee was advised that the minutes of the previous meeting would be considered at a future meeting due to the short time between meetings..

3. Additional Items of Business

There were no additional items of business.

4. Declarations of Interest

There were no declarations of interest.

5. Exclusion of the Public

IT WAS RESOLVED

That the public be excluded from the meeting before discussion took place on items 8 and 9 of the agenda in view of the nature of the business to be transacted, if the public were present there would be a disclosure to them of exempt information within the meaning of Part VA of the Local Government Act 1972.

Items 8 and 9 contained information relating to the financial or business affairs of any particular person (including the authority holding that information).

6. Public Question Time

No questions had been received.

7. Economic Recovery & Growth Strategy

A report was presented by Kate Ingram, Strategic Head of Economy and Growth that was also due to be presented to a meeting of the Executive on Monday, 26th October 2020.

The report was requesting that the Executive consider and approve the Draft Economic Recovery and Growth Strategy as was attached to the report at Appendix 1, and related budgets.

Grounds for the request were reported as follows:

Burnley Borough Council has successfully pursued an ambitious economic growth strategy over the last decade, resulting in significant employment growth and investment. However, the recent COVID 19 pandemic is posing a serious threat to the economy locally and globally.

The Council and its partners need to respond to the immediate crisis whilst continuing to address some existing structural weakness in the economy and put in place the building blocks for more diverse, inclusive and resilient economic growth in the future.

A strategic approach will enable the Council and its partners to present a clear economic vision for the Borough to Government and Sub regional partnerships bodies such as the

LEP. The strategy will be the building block for lobbying for resources and delivering the Government's "levelling" up agenda.

The establishment of the Economic Recovery Budget will enable the Council to work with partners to support businesses.

The Employment Partnership post will be key to the work of the Employment and Skills Partnership and in co-ordinating the work of the Youth Employment and Skills Hub ensuring the residents, particularly young people are supported to gain new skills and employment.

A Green Business Pilot/Demonstrator will assist businesses to adopt new green technologies and to diversify into low carbon supply chains.

The report also recommended that the Executive:

- I. Recommends to Full Council that it approve, subject to further consultation with key stakeholders, the Economic Recovery and Growth Strategy set out in Appendix 1 of the report; and
- II. Approves the establishment of an Economic Recovery Board as set out in the Strategy and paragraphs 15-19 of the report; and
- III. Recommends to Full Council the approval of a first tranche increase of £350,000 to the Business Growth Fund to be funded through Business Rates Pool and delegates authority to the Strategic Head of Economy and Growth to agree with the Leader, the Executive Member for Resources and the Executive Member for Economy and Growth a detailed plan for the use of the fund; and
- IV. Approves the establishment of a full time Employment Partnership post to support the Employment and Skills Hub to be funded from the budget established in recommendation iii; and
- V. **Recommends to Full Council to approve**** the use of £25,000 from the Climate Change Initiatives Budget to support a Green Business Demonstrator Project; and
- VI. That the Strategic Head of Economy and Growth to be authorised by the Executive to make any minor changes, either typographical or as a result of stakeholder feedback prior to its publication.

Councillor Andy Fewings thanked officers and Councillor Margaret Lishman for the hard work that had gone into the Strategy.

Members made the following points and received the following responses:

Should the Strategy be referred again to Scrutiny following the consultation as it has spanned two different administrations.

Part of the funding would be used for recommendation 4 which needs to be progressed quite urgently. How information is presented to the Scrutiny Committee will be reviewed and framed in a way that is set out in the Strategy and reports what is being implemented. The Scrutiny Committee will receive regular updates as things progress.

There is no reference to the Community, faith and voluntary sector. Please do not forget the 3rd sector who play a very important role.

Burnley Together Hub has set up a service to support young unemployed people. The DWP has also become involved. We are working with a range of services including the voluntary sector to look at how we respond and provide services to the unemployed.

A Steering Group meeting has taken place with key partners to look at how to continue in terms of progression in going forward with the Burnley Together Hub. A report will be presented to a future Scrutiny Committee meeting on this issue.

IT WAS AGREED

That the report be noted.

** Lukman Patel advised of the amendment to recommendation v).

8. Burnley College Loan

At this point, Councillor Tom Commis joined the meeting.

Howard Hamilton-Smith, Head of Finance and Property presented a report which was also to be presented to a meeting of the Executive on Monday, 26th October 2020. The report was requesting that the Executive consider an application from Burnley College for a loan of £4m over a period of 15 years.

The report recommended that the Executive consider the application of a loan by Burnley College and if approved to:

- I. Authorise the Head of Finance and Property to agree the terms of the loan agreement in consultation with the Chief Operating Officer and Executive Member for Resources and Performance Management; and
- II. Authorise the Head of Legal and Democracy to complete all necessary Legal documentation for the loan agreement and any charge against the property.

Grounds for the recommendations were highlighted as follows:

To ensure that the loan agreement is financially viable and contains appropriate safeguards to protect the Council's interest in this matter.

The delivery of this project would have benefits to both the College and the wider district. The loan would generate additional income for the Council over the 15 years which made the proposal both positive financially and for economic growth.

The implications for not providing the loan to the College would be to turn away over 800 16-18 year old students, stop plans to deliver a sport therapist degree and a strength and conditioning degree, reduce the number of elite athletes that study at Burnley College and limit the growth of the College's university, apprenticeship, and business training courses due to the knock on impact on the available capacity of the existing buildings.

To enable the College to continue to undertake work to support local businesses around upskilling and their requirements to aid the economic recovery and future developments.

To maintain the retention rates of 16-18 year old students and to achieve increasingly higher grades year on year.

That the College will look to employ local labour and apprentices in the construction of these buildings.

In response to a question raised by Councillor Tom Commis, Lukman Patel confirmed that if approved by the Executive, it would be recommended by the Executive to Full Council. Full Council would then approve the budget.

Howard Hamilton-Smith referred to the due diligence of the college and advised that it was one of the best performing financial colleges in the country.

IT WAS AGREED

That the report be noted.

9. Pioneer Place - Development of Land at Curzon Street and Manchester Road

Kate Ingram presented a report to the Committee that was also due to be presented to a meeting of the Executive on Monday, 26th October 2020.

The report was seeking approval from the Executive for a revised development proposal at Curzon Street (Pioneer Place) and Manchester Road.

The report advised the Executive of the two recommended options available:

Option A: Approve the proposal and financial business case as set out in the report and:

- I. Recommend to Full Council to approve the funding of the development including the acceptance of grant funding from Lancashire County Council and the Lancashire Enterprise Partnership as detailed in the Financial Implication Section of the report; and
- II. Recommend to Full Council that the revised capital programme is approved as set out in the Financial Implication Section of the report; and
- III. Delegate authority to the Strategic Head of Economy and Growth to negotiate and agree terms of variations to existing agreements and agree new agreements (as necessary) to give effect to this decision; and
- IV. Approve an additional £65,000 of "upfront" funding to meet the costs of a revised planning application with funding to be met from the Capital Programme Burnley Town Centre and Canalside Masterplan Budget; and
- V. Authorise the Head of Legal and Democratic Services to complete all legal documents necessary to give effect to this decision (including appropriation of any land under Section 122 of the Local Government Act 1972, to enable disposal pursuant to section 233 of the Town and Country Planning Act 1990)

Or Option B:

Refuse the proposal and financial business case set out in this report and instruct the Council's Head of Legal and Democratic Services to terminate the Development Agreement by mutual agreement or issue a notice to terminate the Development

Agreement as set out in paragraphs 31 and 32 of the report if the End User clause is not satisfied by 16th March 2021.

Grounds for the recommended options were outlined as below:

The Council and its development partner Maple Grove Developments has invested a considerable amount of time and resource into bringing the scheme to this stage, including securing the REEL cinema as an anchor occupier and securing £3m of funding from LCC and £3.6m from the LEP for "shovel ready" schemes to be delivered by March 2022. The Council now needs to make a decision as to whether or not to proceed with the scheme.

As set out to Members previously, the opportunity for a major Leisure based development in the Town Centre will bring new visitors to the town centre during the day and evening time, retain footfall, deliver new jobs and support the growth of the UCLAN campus. The development will diversify the town centre from a primarily retail lead offer and consolidate its leisure and evening economy offer. The development is a major strategic intervention in Burnley's Town Centre and Canalside Masterplan and has gained much support from strategic partners and the Business Improvement District.

However, the scheme is not without its risks which were set out clearly in the report.

Members raised several issues in relation to the risks associated with the development. Members also recognised the benefits to the town of the proposal. Kate Ingram agreed to provide a full response to issues raised prior to the proposal to be presented to the meeting of the Full Council on 4th November 2020.

Prior to a vote on options A and B, Councillor Howard Baker advised that he would not be voting on the issue.

IT WAS AGREED

That the Scrutiny Committee recommend the choice of Option A to the Executive.