

Meeting	Customer and Corporate Services Scrutiny Management Committee
Date	7 September 2020
Present	Councillors Crawshaw (Chair), Fenton (Vice-Chair), S Barnes, Hunter, Hollyer, Rowley, Musson, Pearson and Mason

26. DECLARATIONS OF INTEREST

Members were asked to declare, at this point in the meeting, any personal interests, not included on the Register of Interests, or any prejudicial or disclosable pecuniary interests they may have in respect of business on the agenda. None were declared.

27. MINUTES

Resolved: That the minutes of the meeting held at 2:00pm on 10 August 2020 be approved as a correct record and be signed by the Chair at a later date.

Further to the minutes, however, where there was an apparent lack of reference to written reports being considered at meetings, he reminded Members of the importance of the statutory function of scrutiny committees and the need for such reports to enable Members to adequately fulfil their role. As a result, he proposed that he and Cllr Fenton (Vice Chair) seek a meeting with the Leader to discuss commitment to scrutiny. This was seconded by Cllr Rowley and following a unanimous vote in favour it was:

Resolved: That the Committee explicitly support Councillors Crawshaw and Fenton as Chair & Vice Chair in seeking a meeting with the Executive Leader, Cllr Aspden, such that they may convey Committee's frustration at the lack of reports in advance of meetings and request that sufficient resources be made available to ensure that the Scrutiny function

is appropriately supported to carry out its statutory role.

28. PUBLIC PARTICIPATION

It was reported that there had been no registrations to speak under the Council's Public Participation Scheme.

29. KEY MAJOR PROJECTS UPDATE

The Head of Corporate Finance & Commercial Procurement gave an update on the review methodology for the 5 year approved capital programme from 2020/21 – 2024/25 totalling £600.615m, which had been reviewed and split into four categories: major projects, medium/smaller projects, routine maintenance/rolling programmes and projects nearing completion or substantially complete except for retention payments. It was noted that schemes in categories 1 and 2 with a value of over £1m were reviewed.

The evaluation methodology for major projects had been agreed in consultation with Executive Members in line with COVID Emergency decision making powers and each review considered the Strategic Business case, the financial Business Case, delivery and an assessment of future options when deciding whether to continue, pause, review or stop the projects.

Members were asked to consider the review process for Guildhall and York Central and their input was sought on the review of Castle Gateway to feed into Executive decision making at the Executive meeting on 1 October 2020.

Guildhall

The Assistant Director Regeneration & Asset Management outlined the strategic review, financial business case, status review, and progress review of the Guildhall project.

Following her update she was asked and confirmed that: Soft research on the office market had been undertaken with agents for restaurants and commercial contracts for office space. This indicated that a more agile and flexible approach to office space may need to be taken.

The information on the contracts for a third party managing the space were commercially sensitive and would be included in the report to Executive.

Officers were in the process of substantiating the risk associated with the restaurant space. There would be a revised financial protection if there was no interest in the restaurant.

York Central

The Assistant Director Regeneration & Asset Management outlined the strategic review, financial business case, status review, and progress review of the York Central project. During the update on the progress review, discussions took place regarding the for the council review project governance arrangements with the partnership and Members were advised by the Corporate Director Economy and Place that the Terms of Reference would be part of the oversight for the York Central Partnership.

Members discussed the funding arrangements for York Central and the Corporate Director Economy and Place confirmed that £77m had been awarded by government for York Central. Clarification was given on the repayment of costs incurred by the council for the project and it was suggested that oversight of this could be referred to the Audit and Governance Committee.

Members sought and were provided with an update on the housing mix and the Assistant Director Regeneration & Asset Management noted that there was a need for smaller units and that the housing mix had been set within the parameters of the outline planning application.

Castle Gateway

The Head of Regeneration Programmes gave an update on the Castle Gateway project. He provided an overview of the aims of the Masterplan and the aims aligned with COVID-19 priorities. He then outlined the business case review, current status (including project spend to date) and reviews of the individual components for Castle Mills, 17-21 Piccadilly and the Public Realm. In response to questions raised concerning Spark:York, it was confirmed that the basic rent covered the cost of utilities and although there was no profit share from the first year, it was predicted that there would be an increased profit share in the future. Discussion took place regarding car parking occupancy and an update on this was given.

Members were presented with six options on the review of Castle Gateway to feed into Executive decision making at the Executive meeting on 1 October 2020 and an analysis of each of the five options was provided. The five options were:

Option 1: Abandon Project

Option 2: Pause Whole Project

Option 3: Continue As Planned

Option 4: Joint Venture – No Replacement Car Park

Option 5: Build Castle Mills – Pause St George’s Field

Option 6: Pause Castle Mills & St George’s Field; Proceed With Public Realm Design

Members considered the options in detail and Cllr Pearson proposed Option 5. This was seconded by the Chair and following a unanimous vote was carried.

Overall, the Committee welcomed the opportunity to contribute to the pre-decision making processes for Executive decision. The Chair thanked officers for their input.

Resolved: That

- (i) In relation to the Castle Gateway project, the Committee recommend Option 5: Build Castle Mills and pause St George’s Field for the Castle Gateway to Executive for consideration;
- (ii) In relation to the York Central project, the Committee review the Terms of Reference for the partners and terms of the MCLG grant clarity on the repayment of the £5.4m costs and impact on this, as part of the next quarterly update;
- (iii) it be noted that Economy & Place Policy & Scrutiny Committee would be keeping a watching brief on the Guildhall.

Reason: In order to inform the Executive decision regarding the Castle Gateway project.

Councillor J Crawshaw, Chair

[The meeting started at 5.30 pm and finished at 7.38 pm].