

## **CITY COUNCIL – SPECIAL MEETING**

**TUESDAY 13 OCTOBER 2020 AT 6.45 PM**

**PRESENT:** The Mayor (Councillor Mrs Bowman), Councillors Alcroft, Allison, Mrs Atkinson, Bainbridge, Betton, Birks, Bomford, Christian, Collier, Dr Davison, Denholm, Ellis, Ms Ellis-Williams, Mrs Finlayson, Mrs Glendinning, Glover, Higgs, Mrs McKerrell, McNulty, Mrs Mallinson, Mallinson (J), Meller, Mitchelson, Morton, Nedved, Paton, Patrick, Robson, Rodgerson, Shepherd, Miss Sherriff, Southward, Tarbitt, Dr Tickner, Tinnion and Miss Whalen

**ALSO**

**PRESENT:** Town Clerk and Chief Executive  
Deputy Chief Executive  
Corporate Director of Governance and Regulatory Services  
Corporate Director of Finance and Resources  
Client-side Project Manager

### **C.103/20 APOLOGY FOR ABSENCE**

An apology for absence was submitted on behalf of Councillor Brown.

### **C.104/20 DECLARATIONS OF INTEREST**

Councillor Betton declared an interest in accordance with the Council's Code of Conduct in respect of Item 6 – The Sands Centre Redevelopment Project – Final Contract Sum and COVID-19 Implications. The interest related to the fact that Councillor Betton is a member of GLL and uses the leisure services provided.

### **C.105/20 PUBLIC AND PRESS**

**RESOLVED** – That the Agenda be agreed as circulated.

### **C.106/20 ANNOUNCEMENTS**

(i) The Mayor

The Mayor wished to thank everyone for what they were doing during the very unprecedented times all were living through. She felt sure that each and every person present was doing their utmost to support local residents and to keep Carlisle City Council and the services it provided working well.

(ii) The Leader of the Council

The Leader spoke in endorsement of the Mayor's comments, expressing thanks to all who had done so much for the City during these awful times.

The Leader then announced that he had, on Friday evening, made available to all Members letters from The Rt Hon Robert Jenrick MP, Secretary of State for Housing, Communities and Local Government and Mr Paul Rowsell, a senior civil servant in the Ministry of Housing, Communities and Local Government formally inviting the City Council to submit a proposal for a single tier of local government for the area.

The timescales involved were tight; an outline proposal must be submitted by 9 November and a full proposal by no later than 9 December 2020. The Chief Executive was scheduled to have an explanatory clarification conversation with Mr Rowsell the following day which may provide further information.

The Leader informed the meeting that he had discussed with the Chief Executive the manner by which information would be shared with all Members of the City Council. It was felt that the best way forward would be to call an informal Council meeting in early course; and also to set up weekly or fortnightly briefings for all Members to join as they willed. The Chief Executive would host the meetings and he would also be in attendance.

The situation was fluid and the Leader and Chief Executive were prepared to modify arrangements as required.

The Leader concluded by repeating his assurance that the final decision would be one for full Council.

(iii) Members of the Executive

- (a) The Communities Health and Wellbeing Portfolio Holder announced that she had that day attended a Public Health county and district wide meeting concerning the growing number of COVID-19 cases, predominantly in Barrow and South Lakeland, although cases were also on the rise throughout the County. Discussions focused upon the action being taken; how that would be managed; and, in particular, communications so that people and Councillors were well aware of what was going on.

The Portfolio Holder undertook to keep Members apprised as more information came forward, adding that the Chief Executive also provided regular updates.

- (b) The Environment and Transport Portfolio Holder wished to take the opportunity to announce that the old Swifts driving range, which Members would be aware was closed in 2018 and included grassland, woodland and riverbanks was to be transformed into a wildlife haven thanks to an £80,000 grant coming mainly from the Cumbria Waste Management Environment Trust, with support from the Environment Agency. The funding had been secured by Cumbria Wildlife Trust working with the City Council and fell under the Get Cumbria Buzzing project which aimed to create and link pollinator habitat across Cumbria. Those ecological improvements would be a boost to the environment and create a place for people to enjoy nature right in the heart of the City. The work would commence this autumn and be completed by November 2021.

The Portfolio Holder was very pleased that the project had been brought to fruition and wished to thank everybody involved.

(iv) Town Clerk and Chief Executive

There were no announcements from the Town Clerk and Chief Executive.

## **C.107/20 COMMUNICATIONS**

There were no communications or items of business brought forward by the Mayor as a matter of urgency to be dealt with at the meeting.

## **C.108/20 PUBLIC AND PRESS**

RESOLVED – That in accordance with Section 100A(4) of the Local Government Act 1972 the Public and Press were excluded from the meeting during consideration of the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in the paragraph number (as indicated in brackets against the minute) of Part 1 of Schedule 12A of the 1972 Local Government Act.

## **C.109/20 THE SANDS CENTRE REDEVELOPMENT PROJECT – FINAL CONTRACT SUM AND COVID-19 IMPLICATIONS** (Public and Press excluded by virtue of Paragraph 3)

*Councillor Betton, having declared an interest, took part in discussions on this item of business.*

Pursuant to Minute EX.113/20, there was submitted private report of the Deputy Chief Executive (CS.32/20) the purpose of which was to provide the City Council with an update on the progress made in the development of the Sands Centre Redevelopment Project. The update included a revised estimated final contract budget, which included COVID-19 implications for the project, together with an appraisal of project costs to date and other factors affecting the final budget.

Speaking at the invitation of the Mayor, Councillor Mallinson (J) indicated that he would take a few moments to outline the background to the report, before moving the recommendations.

As Members would know, the replacement of the pools at James Street and the improvements to leisure facilities at the Sands had been a long-standing ambition of the Council. This project would fulfil several important goals for the city by delivering new, sustainable facilities that would serve our residents and visitors for many years to come; drawing together leisure and NHS services to work as one, to help people improve their health and wellbeing; and unlocking a key development site in the Borderlands Growth Deal - Carlisle Station Gateway project.

Councillor Mallinson (J) explained that the report represented the end of a long period of development and outlined the significant challenges of delivering such a project in the current era, including the COVID-19 pandemic. He also commented upon the considerable work undertaken by the City Council's team and GLL in relation to the delivery of facilities and services, adding that the Council had helped to support those efforts and continued to work closely with GLL through this period.

The Council's Officers had risk assessed the issues and costs outlined within the report and had presented those to the Business and Transformation; and Health and Wellbeing Scrutiny Panels on 17 September 2020 and more recently to the Executive on 28 September 2020. Extracts from the minutes of those meetings were provided.

Both Scrutiny Panels had thoroughly reviewed and explored the challenges faced in delivering the project, including finance, funding arrangements and the revised business case; and he wished to thank the Chairs and Members of each Panel for their insightful questions and clear recommendations. The support of each Panel was important as Council endeavoured to provide clear resolutions this evening.

The Scrutiny panels were also made aware of the other options, in particular, a 'do nothing' option. In his view that option made clear the need to press forward and deliver the project before Council tonight, both from financial and regeneration perspectives.

Councillor Mallinson (J) added that the Council was now at a point where it understood the financial impact of the Covid-19 pandemic on the project and had an agreed means of managing the risks arising, details of which were set out within the report. There was also a better appreciation of the issues relating to the roof panels and their future management. Since the Scrutiny meetings Officers had been working with various bodies to establish clear monitoring, management and maintenance regimes for those panels and the results of that work would be brought back to Councillors through normal channels.

The report also made clear in its recommendations that Council was being asked to approve an increase in the authority's revenue budgets, capital programme and borrowing pending the receipt of funds from external sources such as Sport England and the MHCLG.

He could confirm that Sport England had agreed to increase their support for the project in the sum detailed at paragraph 3.5.4. That support was, of course, appreciated and, subject to Council's decision tonight, the authority would look to sign the revised Funding Agreement as soon as possible.

Councillor Mallinson (J) concluded by moving the recommendations set out within the report, which were duly seconded by Councillor Paton.

The City Council then debated the matter. A number of observations were raised by Members during the debate, including and in relation to:

- although no-one could have predicted the world-wide impact of COVID-19, certain of the challenges / project impediments could have been anticipated. The end costs could be more robust.
- the redevelopment project had been ongoing for some time and it was now time to get the job done. Doing nothing was not an option.
- a Member expressed a wish to see the impact of COVID-19 on GLL included within the risk assessment. Members should be kept informed on risks as the project progressed.
- the Council should seek to recover funding from Government to mitigate costs associated with COVID-19 and a no deal Brexit, should that occur.
- the negotiations undertaken by Officers and the announcement regarding the additional funding from Sport England were welcomed.
- on the issue of external funding, further information was sought in relation to timescales and whether additional money may be forthcoming which would mitigate risk; and the financial return to the Council emanating from the project.
- a Member sought assurance that the costs for use of the leisure services would not increase and would remain affordable; that was particularly important given that many more people would be unemployed / on benefits as a result of the pandemic.

A Member had concerns around monitoring of the project and questioned what steps would be taken to address issues including:

- (a) the financial viability and checks to be made of the Council's partners bearing in mind the implications of COVID-19.
- (b) the manner by which the current trend of Government lockdowns in response to COVID-19 would be monitored to avoid future problems.

- (c) the impact of Brexit, particularly a no-deal, had not been considered in relation to the project.
- (d) could Members be apprised with information on how much of the total project sum would be spent on local (Cumbrian) suppliers.

Concern was further expressed in relation to:

- the potential for Wates to make a compensation claim under the terms of the contract if a proven cost could be shown.
- the risks associated with the project.
- the future of the Turkish Baths/Victorian Health Suite. The Council should push to protect those facilities.
- the assessment / mitigation measures in place to protect the Sands Centre from future flooding events.

Whilst speaking in support, certain Members recognised:

- that the Sands Centre Redevelopment project had clear benefits for the City, including delivery of a world class sports facility; the positive impact upon the health and wellbeing of residents and children made the investment worthwhile.
- delivery was also key to the success of initiatives including St Cuthbert's Garden Village; Borderlands; and the Citadel.
- the challenges which had led to increased costs and the decision to be taken by Council this evening

Councillor Mallinson (J) responded to the concerns / questions posed by Members indicating that the Sands Centre had never flooded to a significant degree and the development was designed to make it more resilient; the administration took the Turkish Baths seriously and hoped that they would endure; although it was not possible to provide any guarantees, the Deputy Chief Executive and his Team were assessing the project risks, notwithstanding the fact that Brexit and COVID-19 were out with the Council's control.

Councillor Mallinson (J) concluded by providing assurance that the redevelopment project would be closely monitored by the Deputy Chief Executive and his team, in conjunction with himself.

Following voting it was:

RESOLVED – That, having considered Report CS.32/20 and taken account of the views expressed by the Health and Wellbeing; and Business and Transformation Scrutiny Panels before reviewing the recommendations proposed by the Executive on 28 September 2020, the City Council:

- Approve, the increase in the capital programme in years 2020/21 to 2022/23 for the Sands Redevelopment Work as set out in paragraph 3.3.2;
- Approve, revisions to the funding of the Sands Redevelopment work as set out in the main body of the report which will initially be funded through a borrowing requirement pending confirmation that the Council has been successful in achieving external funding from the MHCLG COVID-19 Emergency Fund (confirmation of funding from Sport England in the sum set out in paragraph 3.5.4 had been received).

- Approve, the increase in the revenue budget and additional use of reserves as set out in the body of the report at paragraph 3.5.7 to fund the additional cost of the scheme, pending receipt of funds from external sources.

[The meeting ended at 7.35 pm]