



## **CABINET DECISION NOTICE**

Publication Date: 24<sup>th</sup> June 2022

At a special meeting of the Cabinet held on the 22<sup>nd</sup> June 2022 the following matters were discussed. The decisions of Cabinet are set out below each item along with reasons for the decision and other options considered.

**Present:** Councillor Jackson (in the Chair)

Councillors Cracknell, Furneaux, Harness, Shreeve and S. Swinburn

### **DN.13 APOLOGIES FOR ABSENCE**

An apology for absence from this meeting was received from Councillor Shepherd.

### **DN.14 DECLARATIONS OF INTEREST**

There were no declarations of interests made from Members with regard to items on the agenda for this meeting.

### **DN.15 LEVELLING UP FUND**

Cabinet considered a report from the Leader of the Council and Portfolio Holder for Economy, Net Zero, Skills and Housing seeking approval to submit a bid for each constituency for the second round of Levelling Up Funding.

#### **RESOLVED –**

- 1. That the submission of three LUF bids, one for each constituency, Grimsby and Cleethorpes, plus a transport bid, to the Department for Levelling Up, Housing and Communities (DLUHC), be approved.**

- 2. That authority be delegated to the Executive Director for Environment, Economy, and Resources, in consultation with the Leader of the Council, and on behalf of the Greater Grimsby Board to take all actions necessary, including:**
  - 2.1 Formulation and submission of business cases together with responsibility to deal with any arising issues, clarifications sought and engagement with DLUHC or any other stakeholders.**
  - 2.2 Acceptance of any successful grant funding award from the DLUHC.**
  - 2.3 Defrayal of the grant and all ancillary activity in support and implementation of the above recommendations.**

REASONS FOR DECISION – To allow the submission of three bids of up to £20m each to the Levelling Up Fund by the deadline of 6th July 2022.

OTHER OPTIONS CONSIDERED – If successful, the funding will support the objectives and opportunities as laid out above which are identified in the Council Plan, Economic Strategy, Local Plan and the Grimsby and Cleethorpes' Masterplans.

Due to restrictive timescales, an extensive consultation period will be challenging, however, during the recent development of both the Grimsby and Cleethorpes' Masterplans, a considerable amount of public consultation was undertaken. Further engagement is taking place during the development of bids, and there will be continued engagement as schemes develop, subject to funding being secured.

If successful, up to £60m will be invested in the local economy.

## **DN.16 FRESHNEY PLACE ACQUISITION AND INVESTMENT**

Cabinet considered a report from the Leader of the Council and the Portfolio Holder for Economy, Net Zero, Skills and Housing seeking approval to acquire Freshney Place under the Future High Streets Fund award.

### **RESOLVED –**

- 1. That authority be delegated to the Executive Director Environment, Economy and Resources in consultation with the Leader of the Council to seek approval from the Department of Levelling Up, Housing & Communities (DLUHC), for a project adjustment request to realign the residue of the £17.3m of Future High Streets Fund for the purposes set out in this report.**

- 2. That the acquiring of Freshney Place be supported in principle and refers the matter to Full Council for debate and ultimate decision, commending the following recommendations to Full Council:**
  - a. That Cabinet be enabled without further formality to authorise the Executive Director Environment, Economy and Resources, in consultation with the Leader of the Council, to conclude negotiations with the Freshney Place receivers and their agents, and to acquire Freshney Place for market value as supported by independent advice.**
  - b. That in the event of negotiations not concluding satisfactorily then Full Council supports the Cabinet decision to proceed via statutory compulsory purchase powers.**
  - c. Full Council accepts the vagaries of negotiation for an asset of this nature and agrees to the principle of any further special meeting of Full Council being called under the terms of the Constitution.**
- 3. That subject to the approval of Full Council to so acquire, authority be delegated to the Executive Director Environment, Economy and Resources, in consultation with the Leader of the Council, with support from appropriate specialist external advice, to undertake and conclude negotiations with the Freshney Place receivers and their agents, and acquire Freshney Place.**
- 4. That subject to the approval of Full Council to so acquire, and if negotiations to acquire Freshney Place do not conclude successfully, authority be delegated to the Executive Director Environment, Economy and Resources in consultation with the Leader of the Council to take all preliminary actions regarding the exercise of the Council's statutory compulsory purchase powers.**
- 5. That authority be delegated to the Executive Director Environment, Economy and Resources, in consultation with the Leader of the Council, to seek borrowing which would, in the Director's reasonable opinion, enable acquisition of Freshney Place and development of the proposed leisure scheme, subject to the retention of Future High Streets Fund monies.**
- 6. That authority be delegated to the Executive Director Environment, Economy and Resources, in consultation with the Leader of the Council to commence a procurement exercise to appoint professional asset management, property management, and any other key professional appointments**

**and to carry out all activity including award, implementation and mobilisation.**

- 7. That authority and responsibility be delegated to the Executive Director Environment, Economy and Resources in consultation with the Leader of the Council to deal with all matters arising from and ancillary to the above.**
- 8. That the Assistant Director Law, Governance and Assets (Monitoring Officer) be authorised to execute all documentation arising from the above.**
- 9. That the Executive Director Environment, Economy and Resources be instructed to update Cabinet by report in six months' time or within two months of the date of acquisition, whichever shall be the earlier and thereafter engage with the Economy Scrutiny Panel.**

REASONS FOR DECISION – To safeguard a critical part of Grimsby town centre's economic and community infrastructure, to halt decline through the commencement of regeneration of the centre and help safeguard up to 1700 full time equivalent jobs within Freshney Place and Top Town Market. In addition, to enable successful implementation of the Freshney Place leisure scheme, including submission of grant applications and acceptance of the funding.

OTHER OPTIONS CONSIDERED – Not Acquire – Not acquiring Freshney Place would mean the Receivers being reliant on securing a purchaser for the centre, which in the current opportunistic climate is likely. This would mean that a likely purchaser could seek to minimise costs, reduce fresh investment, and take maximum income from the centre. It would likely lead to a prolonged period of little or no investment in the centre, leading to further decline in its attractiveness to tenants, which would result in further vacancies, an unappealing destination for consumers, decreased footfall in the town centre, and a deterioration in the wider town centre economy. In addition, the original leisure scheme would not be deliverable in its current form, should an opportunistic investor acquire the centre. This would negatively impact on the Council's transformational regeneration ambition for Grimsby town centre, including the impact of projects already underway or planned.

Fund from Council Resources – The Council could retain its original FHSF allocation for the leisure scheme and consider funding the acquisition of Freshney Place from its own resources. This is possible but would significantly increase the level of borrowing undertaken by the Council and lead to service pressures. However, given there is currently an opportunity to reutilise FHSF grant towards the acquisition of Freshney Place and bid for LUF to fund the leisure scheme, it is considered prudent to pursue this as, if successful with both FHSF and LUF funding, the impact on the Council's own finances and borrowing commitments would be significantly reduced.

**DN. 17      EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED – That the press and public be requested to leave on the grounds that discussion of the following business was likely to disclose exempt information within paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).**

**DN.18      STRATEGIC SITE ACQUISITION**

Cabinet considered an appendix to the report from the Leader of the Council and Portfolio Holder for Economy, Net Zero, Skills and Housing referred to at DN.16 above.

**RESOLVED – That appendix to the report, pursuant to the decision at DN.16 above, be noted.**

REASONS FOR DECISION – As per DN.16

OTHER OPTIONS CONSIDERED – As per DN.16