

**NORTH EAST LINCOLNSHIRE COUNCIL
LAW AND DEMOCRATIC SERVICES**

**Scrutiny call-in mechanism on Cabinet/Portfolio
Holder decisions**

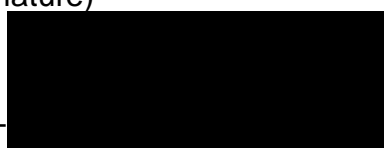
Date	14th October 2024
Cabinet Item (title)	Special Freshney Place Cabinet Sub Committee 8th October 2024 – Car Park Maintenance
Decision Notice No.	DN.SC.3
Reason(s) for Call-in	The decision notice references ‘car park maintenance’. It is unclear from the decision notice as to whether this is low-level maintenance which would be met from a maintenance revenue budget or maintenance that would require large sums of capital investment which would necessitate a further increase in borrowing or use of budgets that have not previously been allocated. This decision notice has not been subject to pre-decision scrutiny.
Desired outcome for Call-in	This decision to be considered by the Transport, Infrastructure & Strategic Housing Scrutiny Panel to ensure that proper scrutiny takes place to provide assurance to members and the wider public.
Intended Recommendation to Cabinet	To suspend any intended actions until this decision notice has been reviewed by scrutiny and to take note of any recommendations forthcoming from the scrutiny panel.
Details of estimated/actual cost	Unknown at this time.
To be referred to which Scrutiny meeting?	Transport, Infrastructure & Strategic Housing

SIGNATURES OF TWO MEMBERS OF THE COUNCIL

(signature)

(printed name)

(1)



Paul Henderson

(2)



Paul Bright

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Notes on Scrutiny call-in mechanism on Cabinet/Portfolio Holder decisions

- 1 A Decision Notice of a Cabinet/Portfolio Holder meeting or a key decision made by an officer with delegated authority from the Cabinet will be published within two working days of the meeting/decision and will be sent to all Members of the Council with a copy of this form. That notice will include the date on which it is published and will specify that the decision will come into force, and may then be implemented, on the expiry of five working days after the publication of the decision, unless any two Members of the Council object to it and call it in.
- 2 The notice must be signed by any two Members of the Council (including co-opted members provided the Proposal relates to their area of responsibility) and must give reasons for the suspension and referral of the decision to Scrutiny.
- 3 The notice must be received by the Chief Executive no later than 4.00 p.m. on the fifth working day after publication of the Decision Notice, and must specify the item reference number in question and indicate which Scrutiny meeting the matter will go to with reasons for preference. The Chief Executive will adjudicate on allocation to the appropriate Scrutiny meeting and the decision-taker shall be notified of the call-in.
- 4 A maximum period of 28 days will be set for scrutiny to hear a call-in following receipt of notice. Having considered the decision in question, the Scrutiny Panel must resolve either to:
 - (i) free the decision for implementation (the decision shall take effect on the date of the relevant Panel meeting);
 - (ii) refer it back to the decision making person or body with a recommendation for amendment; or
 - (iii) refer the decision to the Council for approval.
- 5 If referred back to the decision making person or body, they shall reconsider within a further four weeks before adopting a final decision. If decision making person or body resolve to accept the recommendations of the Scrutiny Panel, the decision may be implemented as amended. Otherwise the decision must be referred either back to Cabinet or Council, together with the recommendation of the Scrutiny Panel for determination.
- 6 If the matter was referred to full Council and the Council does not object to the decision which has been made, then no further action is necessary and the decision shall take effect on the date of the Council meeting. However, if the Council does object it has no power to make decisions in respect of a Cabinet decision unless it is contrary to the policy framework, or contrary to or not wholly consistent with the budget. Unless that is the case, the Council will refer any decision to which it objects back to the decision making person or body, together with the Council's views on the decision. That decision making body or person shall choose whether to amend the decision or not before reaching a final decision and implementing it. Where a decision was taken by the Cabinet as a whole, a meeting will be convened to reconsider within four weeks of the Council request. Where the decision was made by an individual, the individual will also reconsider within four weeks of the Council request.
- 7 The call-in procedure set out above shall not apply where the decision taken by the Cabinet is urgent. A decision will be urgent if any delay likely to be caused by the call in process would seriously prejudice the Council's or the community's best interests. The record of the decision, and notice by which it is made public shall state whether in the opinion of the decision making person or body, the decision is an urgent one and the reason for this, and therefore not subject to call-in. The Leader and Deputy Leader of the Council must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. In the absence of the Leader and/or Deputy Leader, the head of paid service (Chief Executive) or his/her nominee's consent shall be required. In all cases, the Cabinet will be required to consult with the Chair of the relevant functional Scrutiny Panel to satisfy that person that urgency is justified. In the absence of the Chair of the relevant functional Panel, a Chair of another Panel shall be consulted. Decisions taken as a matter of urgency must be reported to the next available meeting of the Council, together with the reasons for urgency.
- 8 The operation of the provisions relating to call-in and urgency shall be monitored annually, and a report submitted to Council with proposals for review if necessary.

FRESHNEY PLACE CABINET SUB COMMITTEE

DATE	8th October 2024
REPORT OF	Cllr. Philip Jackson, Leader of the Council and Portfolio Holder Economy, Regeneration, Devolution and Skills
RESPONSIBLE OFFICER	Sharon Wroot, Executive Director, Place and Resources
SUBJECT	Car Park Maintenance
STATUS	Open Report Closed Appendix
	NOT FOR PUBLICATION Exempt information within paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended)
FORWARD PLAN REF NO.	CBSC 09/24/01

CONTRIBUTION TO OUR AIMS

Following the acquisition of Freshney Place, its successful operation, together with the delivery of the planned leisure scheme, will contribute to the Council's "Stronger Economy" and "Stronger Communities" priorities by securing a strategic economic and community asset which is critical to the town centre's success. Diversification of uses away from pure retail will be the key driver of Freshney Place's commercial performance and social value to the local community. Modern and accessible car parking is a key aspect of the centre's offer.

EXECUTIVE SUMMARY

Freshney Place Shopping Centre has two five storey car parks to the east and west of the centre totalling 849 spaces and providing the main parking provision in Grimsby town centre. This report aims to provide the cabinet sub committee with justification for progressing preventative works across both car parks to keep the car park decks in good condition, stopping future moisture penetration and ultimately protecting the life expectancy of the asset.

RECOMMENDATIONS

It is recommended that the Sub-Committee:

1. Supports the principle of investment into car park provision at Freshney Place as set out in this report.
2. Recognises the strategic risk across car parking capacity within the Town Centre and adjoining environs and instructs the Executive Director Place and Resources to consult with the Leader of the Council prior to any award of a contract insofar as wider works, capacity, implementation of works and risks across the car park estate are concerned.
3. Subject to application of internal governance mechanisms, delegates authority to the Executive Director Place and Resources, in consultation with the Leader of

the Council, to commence a procurement exercise for delivery as set out in this report, on the understanding that this exercise may, at the Executive Director's sole discretion, be managed by an appropriate third party.

4. Delegates authority to the Executive Director Place and Resources, in consultation with the Leader of the Council, to award such contract and take all ancillary action reasonably arising from such award in connection with mobilisation and implementation.

REASONS FOR DECISION

The proposed investment will provide long term protection to the surfacing within the car parks which form part of the Freshney Place ownership. Sufficient parking provision is essential to the operational needs of the scheme and the wider town centre. The degradation of the surfaces, if untreated, will compromise the integrity of the car parks and their continued use. The importance of the parking provision and the number of movements per day will increase with the anticipated leisure development and the opening of the Community Diagnostics Centre. To continue to achieve optimum performance of Freshney Place and to ensure a positive visitor experience this is a critical piece of work.

1. BACKGROUND AND ISSUES

- 1.1 Freshney Place Shopping Centre has two five storey car parks to the east and west of the centre totalling 849 spaces and providing the main parking provision in Grimsby town centre. At purchase of the scheme, it was identified by external advisors that works to both multi-storey car parks would be required to protect their long-term integrity, structurally and operationally. A provisional figure was allocated against the proposed works as part of the pre-purchase advice and was reflected in the cost/income profile submitted as part of the acquisition report. The investment was also referenced within the 2024/25 business plan previously considered by this committee.
- 1.2 The cost of car park repairs/maintenance is a landlord cost which cannot be recovered via the service charge. Since acquisition, further work has been done by Black Cat, the appointed project manager, to estimate the cost profile required to ensure the car parks are kept in good repair and condition.
- 1.3 The works in question are as follows:
 - Full new coating of all previously coated decks with 10-year warranty product.
 - Repairs to concrete.
 - All works to top decks and upstands which are open to the elements and in worst condition.

In terms of programming the necessary works there are two options available:

- 1.4 Option one is to undertake these works on a phased basis over the next five years through the award of piecemeal contracts dealing with parts of the car park in isolation. This attracts a higher aggregate cost, spreads the disruption over a longer period and introduces a staggered warranty arrangement.

- 1.5 Option two is to undertake the works as part of a single contract which will bring familiarity of the team delivering the project, efficiencies in having one building contract, warranty and consultant appointments which cover the full scope of works. Indicative cost savings are expected to be in the region of 7.5%-15% versus option one.
- 1.6 Option two is the recommended way forward.
- 1.7 Timeline from decision should option two be progressed:
 - Full tender and appointment of contractor – 3 months
 - Programme of works – 18 months
- 1.8 In practice the scope of works could be undertaken within a shorter timeframe than the 18-month programme allowed for however, in order to ensure operational disruption is minimised and is manageable for visitors and the centre an extended programme is being adopted.

2. RISKS AND OPPORTUNITIES

- 2.1 Should these preventative works to the deck not be undertaken, water will continue to penetrate into the concrete and degradation will occur at an accelerated rate ultimately shortening the life expectancy of the asset. The requirement to keep the car park decks in a good condition and stopping moisture penetration is especially critical here given the proximity to the sea with salt content in the atmosphere.
- 2.2 The proposed approach to the works provides the opportunity for the disruption to be contained within a period prior to the anticipated increase in traffic and dwell time at the scheme brought about by the leisure development and CDC. This mitigates the following risks:
 - operational strain due to extended period of works
 - reduced capacity, due to works, impacting on income generation.
 - eliminates the continued degradation of the decks and any piecemeal repairs / disruption this would attract in the meantime.
- 2.3 Delivering a car park which is fit for purpose (and benefits from a full suite of 10-year warranties) during a phase of its lifecycle when it will see a marked increase in activity, income potential and scrutiny is of huge value to the town, the visitors and the continued success of the centre.
- 2.4 The diversification of uses within the scheme is critical to optimise commercial performance. This brings new challenges from an operational / accessibility standpoint which can already be seen with the planned integration of the Community Diagnostics Centre and the Leisure Development. The car park is integral to the success of the existing operational centre and the new uses being introduced within its footprint. In addition, the wider town centre beyond Freshney Place is dependent on these car parks and this will only increase with the progress and investment being made across the town centre to cater for the local community such as the Youth Zone.

- 2.5 The proposed investment into the Freshney Place car parking provision comes at the same time as other related town centre transportation and regeneration initiatives, including the proposed reprovision of car parking at Abbey Walk, Burgess Street and Garden Street. It is therefore imperative that any works are carefully coordinated so as to maintain reasonable levels of capacity, whilst keeping disruption across the estate within acceptable parameters.

3. OTHER OPTIONS CONSIDERED

- 3.1 One option is not to undertake these works. Should these not be undertaken, water will continue to penetrate into the concrete and degradation will occur at an accelerated rate ultimately shortening the life expectancy of the asset. The requirement to keep the car park decks in a good condition and stopping moisture penetration is especially critical here given the proximity to the sea with salt content in the atmosphere.
- 3.2 Undertaking the work on a phased basis is the other option and the rationale against this is, as set out above:
- Additional operational strain and disruption
 - Risks reduced capacity during a period where income potential is higher
 - Exposes the decks to additional degradation which may require piecemeal repairs
 - Attracts a higher aggregate cost
 - Introduces a staggered warranty
 - Spreads disruption over a longer period
 - Requires the tender and award of piecemeal contracts dealing with isolated areas over a longer period.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

- 4.1 These car parks are vital assets for the scheme and wider town centre. Protecting their ability to accommodate the local community at a stage where an increase in traffic, revenue potential and scrutiny is forthcoming is crucial. The continued successful operation and investment in Freshney Place is important to both the Council and the wider Grimsby Town Centre, as well as providing an essential provision for national and independent retailers to be successful. This in turn provides wider benefits for residents, businesses, and visitors.

5. FINANCIAL CONSIDERATIONS

- 5.1 The estimated costs of undertaking the works outlined within this paper are contained within a closed appendix.
- 5.2 To note these costs are estimated and will only be qualified once the tender returns are received.
- 5.3 The anticipated cost savings realised by adopting option two, as recommended, are expected to be in the region of 7.5%-15% when compared to option one.

- 5.4 The costs of undertaking the works will be funded through the net income generated from the centre.

6 CHILDREN AND YOUNG PEOPLE IMPLICATIONS

- 6.1 The successful operation of Freshney Place and the introduction of a range of occupiers will support its longer-term strategic future, which will provide improved amenities for children and young people in the North East Lincolnshire area.

7 CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

- 7.1 The scope to minimise the impact on the environment is considered in the management of Freshney Place and opportunities to ensure sustainability and low carbon initiatives are explored at every opportunity.

8 CONSULTATION WITH SCRUTINY

There has been no consultation with scrutiny.

9 FINANCIAL IMPLICATIONS

- 9.1 Undertaking the programme of works to the recommended 18 months' timeframe will enable cost savings to be realised.
- 9.2 As car park repairs/maintenance is a landlord cost which cannot be recovered via the service charge, the proposed investment is to be funded from borrowing.
- 9.3 The annual borrowing cost incurred will be offset through the net income generated by Freshney Place.

10 LEGAL IMPLICATIONS

- 10.1 The procurement to support maintenance and further investment into car parking provision at Freshney Place is consistent with the stated aims and objectives of the Council underpinning its strategic objectives of Stronger Economy, Stronger Communities.
- 10.2 The procurement exercise will be conducted so as to comply with the Council's policy and legal obligations, specifically in compliance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015 and supported by relevant officers.
- 10.3 The delegations sought are consistent with an exercise of this nature. Reference to internal governance mechanisms refers to the Council's internal business development framework. It is noted that the data in the closed appendix is unlikely to change as a result of this.

11 HUMAN RESOURCES IMPLICATIONS

11.1 There are no HR implications

12 WARD IMPLICATIONS

12.1 It is expected to benefit all wards and all residents living in North East Lincolnshire. Freshney Place is in the West Marsh ward.

13 BACKGROUND PAPERS

13.1 22nd June 2022 - Freshney Place Acquisition Cabinet Report.

14 CONTACT OFFICER(S)

14.1. Simon Jones, Assistant Director Law and Governance

14.2. Guy Lonsdale, Assistant Director Finance

COUNCILLOR PHILIP JACKSON

LEADER OF THE COUNCIL AND

**PORTFOLIO HOLDER FOR ECONOMY, REGENERATION, DEVOLUTION
AND SKILLS**