

COUNCIL

Minutes of the proceedings of a Meeting of the Scarborough Borough Council held in the Town Hall, Scarborough on Monday, 10th January, 2011 pursuant to Summons.

Present:-

The Mayor (Councillor Mrs Hazel E Lynskey) in the Chair;
Councillors G W Allanson, J Armsby, G A Backhouse, D J Bastiman, D L Billing, J S Blackburn, W Chatt, Mrs D Clegg, Mrs D V Cluer, M J Cockerill, S Cross, J M Dixon, G Evans, J G Flinton, Mrs R Fox, T W Fox, C Haddington, Mrs M Harland, Mrs L Haycock, M J Jay-Hanmer, D C Jeffels, Mrs J Jefferson, T Lawn, Mrs H F Mallory, Mrs P Marsburg, Mrs P Marsden, P C McDonald, Mrs J E Mortimer, N K Murphy, J Plant, Mrs A Preston, J M Preston, Mrs B Purchon MBE, C E Ridley, K Riley, Dr S Rodgers, B Simpson, G W L Smith, W H Tindall, Mrs Turner, Mrs E M Vickers, M Ward, B F Watson and J Zegstroo

Apologies

Councillors E Broadbent, N Harvey, Miss J M Kenyon, S Leadley and P G Pople

1. DECLARATIONS OF INTERESTS

There were no declarations of interest.

2. MINUTES OF THE MEETING OF THE COUNCIL HELD ON 1 NOVEMBER 2010

RESOLVED that the minutes of the Council meeting held on 1 November 2010 be approved as a correct record and signed by the Chairman.

3. TO CONSIDER ANY COMMUNICATIONS RECEIVED BY THE CHIEF EXECUTIVE

No communications had been received by the Chief Executive.

4. QUESTIONS (IF ANY) OF WHICH NOTICE SHALL HAVE BEEN GIVEN

No questions has been submitted.

5. TO CONSIDER AND PASS RESOLUTIONS ON THE FOLLOWING 'A' ITEMS:-

(i) **10/733 - Middle Deepdale Development and Funding Agreements**
Councillor Tom Fox introduced this item and proposed that the Council adopted the resolutions (i) to (iii).

Councillor Chatt stated that he was worried that money was being ring fenced for Eastfield when the Council was being asked to make cuts in its budget and he proposed that the Council delete resolution (i). Councillor Fox stated that this was a significant scheme for the south of the Borough and Eastfield would need any monies received to cope with the massive development that was planned. This was an area that needed regeneration and was part of the plans for the development. Councillor Ward supported Councillor Chatt and stated that he had nothing against Eastfield but that no money should be ring

fenced. Councillor Cross also agreed with Councillor Chatt but stated that if there was now a principle that money could be ring fenced he would expect the monies arising from developments in Filey to be spent in that area. Councillor Simpson informed Council that this was not ring fencing. The development had been planned since before 1996 when residents were initially opposed to any development. There had been a great deal of work done to engage the community and residents were now in agreement with the building plans because the regeneration of the area would be part of this plan. If the monies were removed there would be no development in Eastfield. Councillor Mortimer agreed with Councillor Simpson and stated that the Council had made promises to the residents twenty years ago and could not renege on those promises. Councillor Bastiman agreed with Councillors Mortimer and Simpson and reiterated that the regeneration of Eastfield had always been part of the development and that this could not be changed now. Councillors Turner and Haycock and others agreed with Councillor Bastiman. Councillor Cockerill stated that last year there had been a change of policy whereby the money received for assets that were sold could be reinvested in the community that had the assets and this was similar. However if money was ring fenced all Councillors would expect this for their own wards and this could cause problems in the future. Councillor Ward asked for clarification if this was a change of policy so that money from assets could be ring fenced. Councillor Tom Fox informed Council that this was not a change of policy. The Council were being asked to agree only to the principle. Councillor Blackburn stated that he was astonished that anyone could consider that the money should go elsewhere in the Borough. Councillor Marsden stated that Councillors were not denying that money should go to Eastfield but reminded Members that if monies remained in the areas that had the assets some wards in the Borough would miss out completely on funding. Councillor Billing and Councillor Dixon both stated that this was not ring fencing. Councillor Dixon stated that this was in essence the cross subsidy of a scheme to ensure its success. Councillor Watson stated that the most important point was to integrate the two areas and if funding was needed for this the that should be agreed by Council. Councillor Chatt proposed his amendment to remove recommendation (i) from the agreement. Council voted on this. Nine Councillors voted in favour of this and the majority voted against this and thus the proposal was lost. Council then voted on the three original recommendations and the majority voted in favour. Two Councillors voted against.

RESOLVED that Council:

- (i) agree to the principle of committing any surplus above the development costs incurred by the Council received through the development to support the regeneration of Eastfield.
- (ii) agree to the entry into an agreement with the County Council to receive funding in the sum of £2m, on terms to be approved by the Head of Legal and Support Services and the Head of Finance and Asset Management.
- (iii) agree to the principle of agreeing the use of County Council funds to the K2 LLP to facilitate the development of the Highways Infrastructure on Scarborough Borough Council land, on equivalent terms to those upon which the Council received funds from the County Council, and

on condition that the terms of the development agreement and the final terms for such funds to the K2 Partnership are adequate to address the requirements of the Head of Finance and Asset Management in particular in relation to Treasury Management and financial risk to the Council.

Reasons:

1. K2 PLP represent the interests of the only other land holder with an interest in the development of Middle Deepdale and the regeneration company responsible for regeneration elements of the other land holder's land.
2. Partnership with K2 will allow for a single cohesive development which partnership with no other party would allow.
3. The terms proposed ensure that the Council obtains value for money for its land in keeping with the special purchaser arrangements adopted within Council policy.
4. The terms for overage ensure that the Council receives a proper share of any surplus from the development achieved by the developer.
5. The terms ensure that a single vision for Middle Deepdale and Eastfield is established by both land owners to allow for the development of Middle Deepdale takes as a cohesive development that complements Eastfield and contributes to the regeneration of the community.
6. The agreement from the County Council facilitates early development of the road infrastructure on Council to allow the development to proceed.
7. The commitment to the principle of committing any surplus over development costs to support the regeneration of Eastfield is consistent with the Council's long term approach to this project and provides for a cross-subsidy to promote the integration of the communities of Eastfield and Middle Deepdale.

6. REPORTS ON URGENT DECISIONS IN ACCORDANCE WITH ACCESS TO INFORMATION RULE 16

The Leader advised that no urgent decisions had been taken since the meeting held on the 1 November 2010.

7. TO RECEIVE A STATEMENT BY THE LEADER AND DEAL WITH ANY QUESTIONS ARISING FROM THAT STATEMENT

The Leader presented his statement to Council and gave an update on the football ground, and informed members that there had been six contractors selected to engage in a competitive dialogue to commence in February 2011. With regard to the Sands development, the Leader informed Members that officers were in discussions with the new owner of Benchmark in relation to the obligations under existing agreements. The Leader updated Members on the comprehensive spending review, and stated that the funding provided by the Government was significantly less than predicted and in addition the revaluation of the pensions scheme meant that the Council needed to save far more than was thought prior to Christmas. The Council now had to make savings of 14.6% in 2011/12 and 9.2% in 2012/13. The Leader updated Council on the Local Enterprise Partnerships (LEPs) and informed Members

that the Council was in two LEPs which were York and North Yorkshire and a Coastal LEP.

The Leader answered questions on all four issues that were raised by Members.

8. TO RECEIVE STATEMENTS FROM EACH OF THE CABINET MEMBERS AND DEAL WITH ANY QUESTIONS ARISING FROM THOSE STATEMENTS

Councillor Tom Fox presented his statement as portfolio holder for Service Transformation and answered Members' questions.

Councillor Backhouse presented his statement as portfolio holder for Technical Services, Highways and Transport, Environment Projects Management and Coastal and Flood Defences and answered Members' questions. He thanked the staff from Highways, Parks and Cleansing for their hard work during the extreme weather conditions of December.

Councillor Jefferson presented her statement as portfolio holder for Tourism and Culture. There were no questions.

Councillor Simpson presented his statement as portfolio holder for Neighbourhood Renewal, Community Involvement and Partnerships, Democratic Services, Customer Services and Safer Communities, and answered Members' questions.

Councillor Fox rose to present Councillor Popple's statement as portfolio holder for Harbours and Land, in his absence, and answered Members' questions.

Councillor Bastiman presented his statement as portfolio holder for Strategic Planning and Regeneration and answered Members' questions.

Councillor Dixon presented his statement as portfolio holder for Housing, Public Health, Property Maintenance and Sustainability and answered Members' questions.

Councillor Marsden presented her statement as portfolio holder for Human Resources, Performance Management and ICT, and answered Members' questions.

Councillor Tom Fox presented Councillor Kenyon's statement as portfolio holder for Finance, Procurement and Legal in her absence. There were no questions.

9. TO RECEIVE MINUTES OF THE COUNCIL'S EXECUTIVE AND COMMITTEES PUBLISHED SINCE COUNCIL LAST MET

The following minutes were received in addition to the minutes in the Minute Book:

Planning and Development meeting 16 December 2010

Standards meeting 21 December 2010

Projects and Partnerships Overview and Scrutiny 15 December 2010.

Chairman