

## **Executive**

### **Minutes of the meeting held on Wednesday, 28 June 2023**

**Present:** Councillor Craig (Chair)

**Councillors:** Bridges, Hacking, Igbon, Midgley, Rahman, Rawlins, T Robinson and White

**Also present as Members of the Standing Consultative Panel:**

**Councillors:** Chambers, Douglas, Foley, Johnson, Leech, Lynch and Moran

**Apologies:** Councillor Akbar, Ahmed Ali and Butt

**Also present:** Councillor I Robinson (Ward Councillor Ancoats and Beswick)

#### **Exe/23/54 Minutes**

##### **Decision**

The Executive approved as a correct record the minutes of the meeting on 31 May 2023.

#### **Exe/23/55 Our Manchester Progress Update**

The Executive considered a report of the Chief Executive which provided an update on key areas of progress against the Our Manchester Strategy – Forward to 2025 which reset Manchester’s priorities for the next five years to ensure the Council could still achieve the city’s ambition set out in the Our Manchester Strategy 2016 – 2025.

The Deputy Leader reported that Manchester’s homelessness figures had improved significantly, with numbers in temporary accommodation (including B&Bs) and sleeping on the streets both falling. overall numbers in temporary accommodation had fallen to 2,745 households from a peak of 3,194 at the end of last year. Reductions had been particularly marked in B&B accommodation. The overall number of households had gone down from 814 at its peak in February this year to 215 single people and 5 families, with no families now placed over six weeks. The rough sleeper count had also shown a marked decrease, down from a peak of 61 in September 2022 to 37 last month. It was acknowledged that significant ongoing challenges remained, not least the cost-of-living crisis, and there was zero room for complacency, but the figures illustrate progress being made through the homelessness service transformation programme.

Councillor Johnson, whilst welcoming the improved position, suggested that more joined up working of different services to help contribute to tackling homelessness

Councillor Leech welcomed the reduction in numbers and the change in policy for those who were at risk of homelessness. He sought clarification as to whether there were any unintended consequences of the improved position, specifically in relation

to the impact of those who were not homeless but trying to move home and the wait that these people may have for alternative accommodation. He also sought confirmation as to what checks and balances were in place to ensure landlords did not misuse policy to evict unwanted tenants. The Deputy Leader advised that the change in policy did not intend to adversely impact on those residents that whilst not homeless, were seeking to move home and that the Council would monitor landlords to ensure they were not seeking to misuse the policy.

The Executive Member for Skills, Culture and Leisure reported on the reopening of Manchester Aquatics centre following a multi-million refurbishment to upgrade facilities and improve its energy efficiency. All areas of the building had been upgraded including all of the swimming pools, enhancements to health and fitness facilities, a new fitness class studio and a new group cycle studio, new café facilities, health suite and changing spaces with new accessible provision to support disabled people and those with additional needs. Over £3m in investment had been secured for New Green Technologies, funded by the National Public Sector Decarbonisation Scheme. Green energy systems and renewable energy sources had been implemented across the centre to reduce its carbon emissions.

The Executive Member for Skills, Culture and Leisure also reported on the partnership between the Council, Government and Lawn Tennis Association (LTA) which would see almost £500,000 invested in improving the tennis courts in nine parks across the city. Together with Manchester Active and We Do Tennis, the Council was also working with the LTA to deliver a range of tennis activities across park sites including free weekly organised park tennis sessions for Manchester people of all ages, playing levels and experience with equipment provided for those who do not have their own and it was noted that the grassroots tennis boost was coming as Manchester prepared to host Davis Cup group fixtures at the AO Arena in September.

Councillor Leech sought clarification as to whether the improvements to the tennis courts across parks in Manchester would reduce longer term maintenance costs. The Executive Member for Skills, Culture and Leisure confirmed that as part of the programme of improvement, there would be budget provision for long term improvement.

The Executive Member for Children, Young People and Families reported that a new Intensive Support Programme had been brought in to give swift early and intervention to primary school children who needed extra support to meet development or social needs. The support also extended to pupil's family or carers, who might also need help with issues including cost of living support. The 12-month council-funded programme launched earlier this year. It included a dedicated intensive support worker at the school as well as regular access to a speech and language therapist and an assistant educational psychologist. The programme was part of the five-year Making Manchester Fairer action plan, which aimed to address inequalities in the city which could start early in life and even affect how long people lived for, and their opportunities around work and housing. The plan also included work around tackling cost of living pressures and poverty, which were also integral to improving health and wellbeing.

The Executive Member for Children, Young People and Families also reported on the recent success of the Council being declared winners at the recent MJ award ceremony in the category of Innovation in Children and Adults Services for the work undertaken associated with the 2022 'Our Year' campaign

## **Decision**

The Executive note the report.

### **Exe/23/56 Capital Outturn 2022/23 and Capital Programme Update**

The Executive considered a report of the Deputy Chief Executive and City Treasurer, which outlined the capital outturn position for 2022/23 including total expenditure and funding, confirmed that funding sources had been managed to best utilise resources available to fund the capital programme; and presented a revised capital programme for the 2023/24 financial year after taking into account the final outturn position as reported.

The outturn for the Council's Capital Programme in 2022/23 was £403.6m. This represented one of the largest deliveries of capital spend in the Council's history and was much higher than in previous years. It represented the continued significant investment in Manchester with over 220 live projects progressing during the year.

The Deputy Executive Member for Finance and Resources advised that the main variances to the Capital Budget related to Our Town Hall, The Factory, Housing Infrastructure Fund, Carbon Reduction Programme and Public Sector Decarbonisation and This City Housing. Details of these variances were contained in the report.

In regard to any unused grant, it was reported that, subject to conditions, these had been carried forward into 2023/24 and would be matched against future spend. The programme was managed to ensure that any grant with a risk of claw back due to time constraints or other factors was fully utilised in 2022/23. Similarly, any external contributions that have not been used will be carried forward into 2023/24.

The balance of available capital receipts carried forward from 2021/22 was £114.4m. A further £95.7m receipts were received in 2022/23 including pooled receipts from the sale of Council housing. Drawdown from capital receipts was £56.1m leaving a balance for use in future years of £154.0m, of which £94.3m relate to Housing. Any new receipts generated in 2023/24 would be available for use in future programmes and added to the amount available. The Housing receipts were expected to support the achievement of the Council's housing strategy, and plans for their use would come forward in due course.

Insofar as revenue contributions to capital expenditure, these had been used to finance expenditure of £5.0m, including works on the Factory Public Realm (being a contribution from business rates income from the area), House of Sport, various Highways projects and the HR and Finance System replacement project.

In relation to the HRA Capital programme, long-term borrowing of £224.6m has been used to fund this. This borrowing figure represented the amount to be funded by borrowing in the long term and was not necessarily borrowed in year. The Council's approach to actual borrowing drawn down in year was governed by its Treasury Management strategy which had taken into account the volatility of interest rates and the base rate rises. A total of £120m of long-term external debt was borrowed in 2022/23. The Council had to set aside part of its revenue budget for the repayment of its long-term debt, this was known as the minimum revenue provision (MRP). The MRP for 2022/23, excluding PFIs and leases, was £32.7m, and had been funded from the Council's capital financing budget.

It was noted that inflation in the UK in the 12 months to April 2023, as measured through CPI, was currently 8.7%, down from 10.1% in March and from a recent peak of 11.1% in October 2022. Whilst this showed a downward trend which is expected to continue, the figure remains elevated. The contingent budget now stood at £7.6m which was unlikely to cover the inflationary pressures felt. As such, it was proposed to increase the inflation budget to £30m, requiring a budget increase of £22.4m, funded from borrowing. This would be equivalent to c. 3.7% of the approved capital budget for 2023/24 onward.

Unlike the Revenue Budget the Capital Budget was subject to change as new schemes and /or external funding was received. The budget was prepared in February each year on the best estimate of the start date and spend profile for each scheme and was refreshed in June for the Outturn Position. Most capital schemes covered multiple years and as schemes developed the spending profile across financial years changed to reflect the agreed start on site date and delivery of the work packages. Based on the monitoring information, it was proposed that the capital programme budget was re-phased to reflect the planned delivery of projects in 2023/24 to 2026/27 which would be reviewed throughout 2023/24 to reflect changes to the proposed profile of spend.

In addition, it was reported that there were schemes that had been developed or had received external funding that were now ready for inclusion in the Capital Programme. The proposals which required Council approval were those which were funded by the use of reserves above a cumulative total of £10 million, where the use of borrowing was required or a virement exceeded £1m. These included the following proposed changes: -

- ICT - Council Chamber AV Equipment. A capital budget increase of £0.520m was requested, funded by borrowing, to replace the existing specialist Audio Visual (AV) equipment in the Council Chamber;
- Contingency – Inflation. As noted above, it was proposed to increase the inflation contingency by £22.4m, funded by borrowing, to reflect the persistent inflationary pressures that the capital programme was continuing to experience.

The proposals which only required Executive approval were those which were funded by the use of external resources, use of capital receipts, use of reserves below £10.0m, where the proposal could be funded from existing revenue budgets or where the use of borrowing on a spend to save basis is required. The following proposals required Executive approval for changes to the City Council's capital programme:-

- Growth and Development – Shared Prosperity Fund (SPF) – Communities and Place. A budget increase of £4.3m was requested, funded from external contributions to deliver specific projects (subject to approval) which will be designed to improve and enhance district and local centres across the city, making them better places to live, work and visit and to create the conditions for further public and private investment;
- Highways Services – Victoria North Eastern Gateway Walking and Cycling Scheme. A budget increase of £5.7m was requested, funded from an External Contribution via the Mayors Challenge Fund to complete the construction of a new bridge over the Ashton Canal and two Cyclops junctions at junction of Rochdale Road/ Thompson Street and Oldham Road/Thompson Street with a segregated cycle lane along Thompson Street;
- Private Sector Housing - Disabled Facilities Grant (DFG). A budget increase of £8.483m was requested, funded from Government Grant for home adaptations for people with disabilities.
- Corporate Estates – Family Time Refurbishment. A capital budget increase of £1.2m was requested funded from Capital Receipts, and a virement of £1.5m from the approved Asset Management Programme budget to deliver significant service improvement for the Family Time Service which oversees family contact.
- Children’s Services – Education Basic Needs. A budget increase of £23.865m was requested, funded from Government Grant to be used to address condition needs identified in the Council’s maintained schools which included community, voluntary controlled and foundation schools.
- Private Sector Housing – Local Authority Housing Fund. In March 2023, Council approved a £6.675m budget in the capital programme to utilise £3.267m Government Grant, match funded by the Council up to £3.408m funded by Borrowing. The scheme aimed to acquire and refurbish 30 family homes (2 to 4+ beds) for families who have arrived in the UK via Ukrainian and Afghan resettlement and relocation schemes. At the time the budget was established the expectation was this would be a temporary accommodation model, but it has been agreed that it can be permanent accommodation and will form part of the Council’s housing stock and must sit within the HRA. A capital funding switch of £3.408m was therefore being requested, reducing borrowing and funding from HRA Reserves.

Within the Capital Strategy agreed by the Council in March 2023 as part of the budget, financing principles for new capital investment proposals were agreed including that if a project would generate a robust net income stream or revenue saving that is sufficient to meet the associated capital financing costs and it can be funded from borrowing on an invest to save basis, then it should be supported. There was a risk that, given the agreed funding principles, the capacity to add invest to save schemes to the programme in a timely manner would be utilised quickly and therefore further full Council approvals would be needed. In the current financial environment of rising interest rates this could impact on the Council’s ability to act quickly where there were opportunities or requirements to undertake investment where the associated capital financing costs could be funded from additional income that the proposed asset would provide. It was also agreed that the Deputy Chief Executive and City Treasurer could approve and add spend to save projects to the capital budget up to a maximum of £5m per annum, in consultation with the

Executive Member for Finance and Human Resources. This was a long-standing delegation which had not been increased in line with rising capital costs, designed to support agile decision making where the risk to the Council is relatively low.

It was therefore proposed to delegate authority to the Executive to add qualifying invest to save projects to the capital budget of a further £10m per annum. This would provide a total delegated power of £15m per annum, with any approvals taken under it being reported to Council as part of the regular capital monitoring reports.

Councillor Leech sought clarification in relation to the underspend within the Highways budget and whether this had been included in the 2023/24 budget for highways and whether officers were confident that the project reduction in this budget would be sufficient to deal with anticipated highway issues. He also sought clarification as to whether there was any inflationary impact by not spending all of the proposed 2022/23 capital budget and whether the proposal to add qualifying invest to save projects to the capital budget by a further £10m per annum was in line with other Local Authorities.

## Decisions

The Executive:-

- (1) Recommend that the Council approve the virements over £0.5m between capital schemes to maximise use of funding resources available to the City Council set out in Appendix C.
- (2) Recommends that the Council approve the following changes to Manchester City Council's capital programme:-
  - ICT - Council Chamber AV Equipment. A capital budget increase of £0.520m, funded by borrowing.
  - Contingency – Inflation. An increase to the inflation contingency by £22.4m, funded by borrowing.
- (3) Approves the following changes to the City Council's capital programme:-
  - Growth and Development – Shared Prosperity Fund (SPF) – Communities and Place. A budget increase of £4.3 funded from external contributions
  - Highways Services – Victoria North Eastern Gateway Walking and Cycling Scheme. A budget increase of £5.7m funded from an External Contribution via the Mayors Challenge Fund.
  - Private Sector Housing - Disabled Facilities Grant (DFG). A budget increase of £8.483m funded from Government Grant.
  - Corporate Estates – Family Time Refurbishment. A capital budget increase of £1.2m funded from Capital Receipts, and a virement of £1.5m from the approved Asset Management Programme.
  - Children's Services – Education Basic Needs. A budget increase of £23.865m, funded from Government.

- Private Sector Housing – Local Authority Housing Fund. A capital funding switch of £3.408m, reducing borrowing and funding from HRA Reserves.
- (4) Approve the proposed additional delegation of £10m for invest to save schemes
  - (5) Note the outturn of capital expenditure 2022/23 is £403.6m.
  - (6) Note the changes to the outturn attributable to movement in the programme that occurred after the previous monitoring report to Executive in February 2023.
  - (7) Note the decisions of the Deputy Chief Executive and City Treasurer regarding the funding of capital expenditure in 2022/23 including the use of £94.6m Grants and Contributions, £56.2m Capital receipts, £28.3m Revenue funding and £224.6m Borrowing.
  - (8) Note the continued inflationary pressures being experienced across the construction industry and the requirement to increase the inflation contingency by £22.4m from the remaining £7.6m to £30m, funded from borrowing.

#### **Exe/23/57 Establishment of the new GM Bee Network Committee**

The Executive considered a report of the City Solicitor and the Strategic Director (Growth and Development), which proposed new governance arrangements, in particular a new joint transport committee, to enable a more coordinated and integrated approach to Greater Manchester transport governance.

The Executive Member for Environment and Transport advised that local control of the Greater Manchester transport network, and bus franchising in particular, would change the type and number of decisions being made. Greater Manchester therefore needed to change the make-up of its decision-making bodies so as to ensure Greater Manchester's new responsibilities were discharged in an effective and transparent way.

It was proposed that a new, smaller, and more strategically focused 'Bee Network Committee' (BNC) was to be established, which would lead on transport decision-making at a regional level, taking greater ownership and responsibility for the Greater Manchester integrated transport network. As with the present GM Transport Committee, the Bee Network Committee ('BNC') would be structured as a joint committee, able to exercise decision-making powers and develop policy on behalf of the GMCA, the Mayor of Greater Manchester and the ten Constituent Councils.

Although the new committee itself would have greater delegated powers, no additional Constituent Council functions were to be transferred or delegated to the GMCA and TfGM would continue to make day-to-day operational decisions within agreed parameters and policies.

As Greater Manchester took on new responsibilities and functions, it was important that scrutiny arrangements were appropriately strong. Under these proposals, the GMCA's single, integrated Overview and Scrutiny Committee would consider transport matters in one place, alongside other policy areas, allowing for integrated consideration of issues

It was noted that the GMCA and the Mayor at the GMCA meeting held on 26 May 2023 approved the new arrangements and the establishment of the Bee Network Committee as set out in the appendices to the report and recommended it on for approval by the Greater Manchester district councils.

Councillor Johnson sought clarification as to the mechanism for local councillors to inform reviews of the transport network. The E Executive Member for Environment and Transport agreed to share information with all Members as to how this could be done

Councillor Leech questioned whether the proposed arrangements for the membership of the new Committee would appropriately reflect the political balance across Greater Manchester

## **Decisions**

The Executive:-

- (1) Agree to the establishment of a new joint transport committee (the Bee Network Committee) of the Greater Manchester Combined Authority ('GMCA'), the Mayor of Greater Manchester and the ten Greater Manchester Constituent Councils.
- (2) Approve the appointment of members to the Bee Network Committee as set out in Appendix 1 and appoint 1 member, preferably the Executive Member as decision-maker with responsibility for transport, and 1 substitute member to the Bee Network Committee.
- (3) Approve the Terms of Reference of the Bee Network Committee as set out in Appendix 2.
- (4) Note the delegation of the functions of the GMCA and of the Mayor of Greater Manchester as set out in the Terms of Reference to the Bee Network Committee attached at Appendix 2.
- (5) Agree the delegation of the functions of the Council, as set out in the terms of Reference attached at Appendix 2.
- (6) Approve the Rules of Procedure for the Bee Network Committee as set out in Appendix 3.

*(Councillor Chambers declared a Disclosable Pecuniary Interest in this item due to her employment with Transport for Greater Manchester and left the meeting during the discussion of the item).*



**Exe/23/58 Implementation of new guidelines for council tax recovery as part of the Council's Anti-Poverty work.**

The Executive considered a report of the Deputy Chief Executive and City Treasurer, which outlined a proposed new policy to mitigate the impact of the cost-of-living crisis by making changes to the way the Council recovered Council Tax and related summons costs from residents who did not pay and supported the Council's wider anti-poverty work.

The Leader advised that when considering council tax debt, the Council's approach in recent years had been to take a holistic approach to recovery, where possible collecting the current year plus an amount towards the arrears. The aim as always had been to engage with residents in the most effective way and build a relationship that avoided costs and escalation wherever possible.

Where possible, and based on intelligence about the city over many years, the Council took a fair and proportionate approach to the recovery of council tax that was due, seeking to engage with residents and agree affordable payment plans. Although the number of properties had been rising year on year and, until last year, the number of Council Tax Support (CTS) claimants reducing, the number of accounts receiving reminders, summons had been incrementally reducing.

The cost-of-living pressures being faced by all of the City's residents required a more flexible approach, whilst still emphasising the importance of early engagement if residents were struggling and establishing the habit of making their regular monthly instalment.

As such it was proposed to introduce a new policy which would:-

- Establish arrangements to enable the repayment of Council tax arrears over a longer period;
- Enable a more proactive approach to writing off summons costs;
- Introduce an informal breathing space arrangement and
- Move towards a more intelligence-based approach to referrals to Enforcement Agents.

These proposals would only apply to 2023/24 as £1 million funding had been allocated to cover the associated costs. From 2024/25 onwards any available funding was likely to be required to meet the costs of the proposal to increase the maximum level of CTS available to working age residents.

It was noted that it would be difficult to accurately predict the financial impact of the measures outlined in the report. In some cases the payment plans may actually support a higher ultimate collection rate as well as providing support to residents. It was anticipated that the majority of direct financial impact will be through the increased use of discretionary support and the writing off of costs. Officers would monitor the impact of these measures, especially payments of DCTP, and include the findings in the Revenues and Benefits annual update report that would be presented to Resources and Governance Scrutiny Committee in September 2023.

Councillor Leech sought clarity as to whether the Council was actively checking records of Enforcement Agencies to ensure that they were demonstrating their efforts to contact residents to try and resolve matters of non-payment before any enforcement action was taken.

## **Decision**

The Executive agree to adopt the policy as set out in the appendix.

### **Exe/23/59 Update on the Regeneration of Ancoats Phase 3 and the Proposed City of Manchester (Phoenix Ironworks Developments) Compulsory Purchase Order 2023**

The Executive considered a report of the Strategic Director (Growth and Development), which provided an update on the activities to bring forward investment and development in the next phases of Ancoats.

There had been significant work underway to deliver further sustainable growth within Ancoats Phase 3. Strategic plans for public realm and infrastructure improvements, the Ancoats Mobility Hub and new homes were now advancing to the construction phases and others were programmed to come through the planning process.

The report provided an update on the key aspects of the Infrastructure Delivery Programme.

It was reported that the Council's strategic partner Manchester Life had proposed to develop the site known as "Phoenix Ironworks" in accordance with the Neighbourhood Development Framework (NDF). The site was at the heart of Ancoats Phase 3 and critical to the delivery of the regeneration of the area.

Manchester Life, via its wholly owned company "Phoenix Ironworks Developments Ltd", had already acquired the majority of the land and buildings required for the scheme with the Council having acquired the industrial units at 1, 2 and 3 Naval Street. These strategic acquisitions demonstrated Manchester Life and the City Council's long-term commitment to deliver the regeneration of the Ancoats Phase 3 area. Once fully assembled, Phoenix Ironworks Developments Ltd was proposing to deliver 256 homes made up of 1, 2 and 3 bedroom apartments and town houses with ground floor commercial space, new maker spaces and associated hard and soft landscaping.

Whilst the majority of the land interests had been acquired, there was the unregistered freehold interest in three plots and other rights such as rent charges and restrictive covenants over several plots, remaining as the only outstanding acquisitions required to deliver the proposed scheme. The Council had consulted on the best way to resolve the above issues in order to progress and it had been suggested that the way forward would be for the Council to exercise its Compulsory Purchase Powers to acquire the unidentified land interests and rights required. Without the acquisition of the Order, it would not be possible to fully deliver the Scheme, which accorded with the NDF and recently submitted planning permission.

It was noted that the Council would in normal circumstances attempt to acquire all interests through negotiation, however as it had been unable to identify the owners of these plots this had not been possible.

Councillor I Robinson (Ward Councillor – Ancoats and Beswick) addressed the Executive on this matter. She welcomed the proposals set out in the report and expressed a view that more cultural and space for children was needed in this part of the city. She requested that officers to liaised with local ward Councillors to help minimise any disruption once development commenced.

Councillor Leech commented that an issue of personal safety at night had been raised with the developer by one of his colleagues who was also a ward councillor for Ancoats and Beswick and that he was disappointed to see no significant reference to the provision of affordable homes as part of the proposals.

The Strategic Director (Growth and Development) reported that the public realm strategy had been designed with improving public safety and that the viability assessment for the development did not provide for any affordable housing as part of the proposals.

## **Decisions**

The Executive:-

- (1) Note the significant progress made in delivering the projects contained within the Public Realm Strategy for Ancoats Phase 3 and the consented scheme for Ancoats Green improvements, TRO processes and construction of Ancoats Mobility Hub to support housing delivery as more particularly detailed in this report
- (2) Authorise the making of the City of Manchester (Phoenix Ironworks Developments Ltd) Compulsory Purchase Order 2023 (“the Order”) under Section 226(1)(a) and (1A) of the Town and Country Planning Act 1990 as amended by the Planning and Compulsory Purchase Act 2004 and the Acquisition of Land Act 1981 to acquire the Order Lands for the purpose set out in the Statement of Reasons attached at Appendix 4.
- (3) Note that all costs associated with the CPO and the acquisition of the Order Lands will be met by Phoenix Ironworks Developments Ltd who will reimburse the City Council for all costs incurred in accordance with a CPO Indemnity Agreement to be entered into between the City Council and Pheonix Ironworks Developments Ltd.
- (4) Authorise the City Solicitor to seal the Order and to take all necessary steps, including the publication and service of all statutory notices and presentation of the Council’s case at Public Inquiry, to secure confirmation of the Order by the Secretary of State for Levelling up, Housing and Communities and the vesting of the land in the City Council.

- (5) Authorise the Strategic Director of Growth and Development (if the Secretary of State notifies the Council that it has been given the power to confirm the Order) to confirm the Order, if the Secretary of State is satisfied that it is appropriate to do so.
- (6) Authorise the Strategic Director of Growth and Development and the City Solicitor to make deletions from, and/or minor amendments, and modifications to the proposed Order and the Order Plan or to agree to refrain from vesting any land included within the Order should this be in their opinion appropriate.
- (7) Authorise the Director of Development to:
  - (a) approve agreements with landowners setting out the terms of withdrawals of objections to the Order including where appropriate the exclusion of land from the Order
  - (b) negotiate terms for the acquisition by agreement of any outstanding interests in the land within the Order prior to its confirmation.
- (8) Authorise the Strategic Director of Neighbourhoods to take all necessary steps to secure the closure of all relevant highways streets and alleyways which are required for the development to proceed, if requested by the Director of Growth and Development.

#### **Exe/23/60 ID Manchester - SRF update**

The Executive considered a report of the Strategic Director (Growth and Development), which presented a draft updated Strategic Regeneration Framework (SRF) for ID Manchester (formerly the University of Manchester's North Campus), and requested that the Executive endorse the framework in principle, subject to public consultation on the proposals.

The Leader reported that ID Manchester lay at a strategic location, forming a gateway to the Oxford Road Corridor from Piccadilly station and the city centre core. It was a key regeneration area on the southern side of the city centre, stretching from Great Jackson Street through to Mayfield.

The overall objective for ID Manchester was for a world-class innovation platform, driving skills, new ideas, and economic growth and opportunity for Manchester, the City Region and the UK.

The proposals in the updated ID Manchester SRF had the potential to create over 10,000 jobs; encourage new business growth and clustering, linked to the city's research and development strengths; and provide significant new homes, public space and facilities for local people. They would also provide new and improved routes and connections to Piccadilly, the rest of the Oxford Road Corridor, other parts of the city centre and adjacent communities.

If the draft updated ID Manchester SRF was subsequently approved by the Council, it would become a material consideration for the Council as Local Planning Authority when determining any applications within the IDM SRF area

Subject to Executive approval, a further report would be brought forward after the public consultation exercise, setting out the comments received and any changes to the final version of the draft updated IDM SRF.

Councillor Leech enquired as to whether it was proposed to provide and affordable housing on the site. It was clarified that the issue of affordable housing would form part of consultation on the SRF and the Council was committed to delivering affordable housing to all parts of the city.

## **Decisions**

The Executive

- (1) Endorse in principle the updated Strategic Regeneration Framework for ID Manchester;
- (2) Request the Chief Executive undertake a public consultation exercise on the regeneration framework with local stakeholders; and
- (3) Agree that a further report be brought forward, following the public consultation exercise, setting out comments received.

### **Exe/23/61 Large Scale Renewable Energy Generation - Power Purchase Agreement (Part A)**

The Executive considered a report of the Deputy Chief Executive and City Treasurer, which provided an update on the progress of the Council's proposal to purchase renewable energy supplies via a Power Purchase Agreement (PPA) to ensure the Council had a long-term, cost-effective supply of renewable energy to meet its energy needs and achieve its Zero Carbon objectives to reduce the Council's CO2 emissions.

The Executive Member for Environment and Transport reported that a Power Purchase Agreement (PPA) was the direct purchase of renewable energy. Investment in a PPA enabled additional renewable power generation to be created and added to the national grid. The investment in a PPA was traceable directly to specific renewable energy projects such as wind and solar farms across the UK and guaranteed supply of renewable energy over a long-term supply agreement, typically between 5 and 15 years.

In November 2022, officers identified a potentially suitable large scale solar PV facility available for purchase and submitted an initial non-binding offer to the developer. A report on the potential purchase was made to Executive in January 2023. However, during the Council's detailed assessment of the proposition, the Council took the decision to withdraw from this potential purchase as the site did not pass our due diligence thresholds for viability and therefore did not offer a sound investment opportunity for the Council.

Since then, the Council had continued to explore suitable renewable energy supply options considering the available options for an asset purchase, such as a solar farm,

or purchase of renewable energy via a Power Purchase Agreement (PPA), taking advice from external advisors.

In purchasing a PPA of this kind, the Council's commitment to purchase power, gave the power provider certainty of a guaranteed off taker which would help them to fund the construction of an additional renewable energy supply to the grid, thereby reducing the Council's CO2 emissions for the production of the energy that the Council used to supply its buildings and to charge its electric vehicles etc. The Council had confirmed with its advisors, including the Tyndall Centre for Climate Research, that the purchase of a PPA was a valid, and indeed essential, contribution towards the Council meeting its Zero Carbon 2038 objectives between 2025/26 and 2038.

Currently, the Council's Energy Management Unit and Procurement colleagues were finalising procurement documents required to establish a new retail electricity supply framework, projected to be in place by September 2023 to replace the now expired previous framework. It was expected that, unlike the framework this replaced, the new framework would accommodate a single supplier across all lots, so that energy taken from a renewable project could be more easily integrated into the contracts which made up the demand under consideration for this PPA.

The Council intended to seek additional support and advice from its technical consultants and its legal advisors for consideration in establishing this framework agreement.

The Leader sought an assurance that the proposal now being put forward would still enable the Council to achieve its net zero ambitions to which the Deputy Chief Executive and City Treasurer assured the Executive that there was no change to the Council's net zero ambitions and the proposal which was now before Members would still achieve this.

## **Decision**

The Executive note the report

### **Exe/23/62 Exclusion of the Public**

## **Decision**

The Executive agrees to exclude the public during consideration of the following item which involved consideration of exempt information relating to the financial or business affairs of particular persons and public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### **Exe/23/63 Large Scale Renewable Energy Generation - Power Purchase Agreement (Part B)**

In connection to Minute Exe/23/61, the Executive considered a report of the Deputy Chief Executive and City Treasurer, which provided details around the commercial, financial and legal arrangements in respect of the purchase of a Power Purchase

Agreement (PPA) as part of the Large-Scale Renewable Energy Generation Project to act as a key contributor to enable the Council to meet the Council's Zero Carbon targets.

## **Decisions**

The Executive:-

- (1) Endorse the progression of the Power Purchase Agreement procurement in-line with the timetable outlined within the report.
- (2) Delegate responsibility to the Deputy Chief Executive and City Treasurer to select the preferred bidder, negotiate and agree the contractual arrangements in consultation with Executive Members for Environment and Transport and Finance and Resources.
- (3) Authorise the City Solicitor to enter into and complete on behalf of the Council all the necessary legal documentation giving effect to the above.
- (4) Agree that update reports are presented to the December 2023 cycle of the Executive, Environment, Climate Change and Neighbourhoods and Resources and Governance Scrutiny Committees.

### **Exe/23/64 Investment in the translation and industrialisation of diagnostic biomarkers in Manchester (Part B)**

In connection to Minute Exe/23/56, the Executive considered a report of the Deputy Chief Executive and City Treasurer, which provided an update on the progress and growth of APIS Assay and summarised the company's business plan and proposals to seek further investment to promote its ambitious plans to grow and become a leader in health innovation.

## **Decisions**

The Executive:-

- (1) Approve the Business Plan and endorse the company's proposals to seek further investment in line with the business plan to enable Manchester and Greater Manchester residents to benefit from the innovations in diagnostics and personalised medicines.
- (2) Delegate responsibility to the Deputy Chief Executive and City Treasurer and City Solicitor in consultation with the Executive Member for Finance and Resources to approve the terms of any investment and all commercial arrangements.
- (3) Authorise the City Solicitor to enter into and complete on behalf of the Council all the necessary legal documentation giving effect to the above.