

EXTRACT of DRAFT MINUTES of a meeting of the COMMUNITY SCRUTINY COMMITTEE held in the Remote meeting using Microsoft Teams on WEDNESDAY, 28 OCTOBER 2020

Present: Councillor D Harrison (Chairman)

Councillors B Harrison-Rushton, C C Benfield, A J Bridgen, T Eynon, G Hoult, K Merrie MBE, D E J Tebbutt, M B Wyatt and M D Hay (Substitute for Councillor J Geary)

In Attendance: Councillors

Portfolio Holders: Councillors R Ashman, R D Bayliss and T Gillard

Officers: Mr J Arnold, Mrs T Bingham, M D'Oyly-Watkins, Mr T Delaney, Mr C Elston, Mrs A Harper, Mr C Lambert, Walford, Mrs R Wallace and Miss E Warhurst

## **19. ESTABLISHMENT OF COMPANY TO BE KNOWN AS 'EM DEVCO LIMITED'**

The Strategic Director introduced the item and gave a presentation to Members.

The Planning and Infrastructure Portfolio Holder addressed the Committee and spoke in support of the proposal.

In principle, Members were supportive of the proposals and the need for development on a large scale was acknowledged. The main concerns raised were in relation to the interim delivery vehicle.

The following comments were raised by Members as part of the thorough discussion:

- Concerns were raised on the cost element of the project. The project was reliant on the completion of HS2 and government funding; therefore, there was a huge risk that NWLDC and Leicestershire County Council could become liable for the ongoing costs of the Interim Vehicle in addition to any initial financial contribution.
- Members felt that the councillor representative on the Interim Vehicle Board was invaluable as it was important to have an influence on the project to achieve the potential benefits for the district.
- In reference to being net carbon zero, it was pointed out that the promise was to 'prioritise' the reduction of emissions and this did not mean net carbon zero. In addition, the report referred to East Midlands Airport as an inland Freeport on the UK's largest 24-hour airfreight hub, which was not a carbon neutral approach. It was felt that approving this would be welcoming flight scheduling 24 hours a day. Concerns were raised that the proposal did not embrace the climate change emergency and it was felt that it should be in the forefront for any future development.
- Concerns were raised that the legislation for a Freeport and for a locally lead Development Corporation had not yet been approved or details available to examine. In addition, there was no guarantee that the government would allow a Development Corporation at the end of the process, or the desired type of Development Corporation actually be achieved, and clarity was needed in this situation for the Interim Vehicle.
- Members felt it was very important going forward to receive more details as they became available and regular progress updates. The Strategic Director confirmed this would be the case, as well as regular consultation with the Cross Party Working Group.

Chairman's initials

- A number of Members expressed major concerns with the financial risks for the authority, especially in the current difficult economic climate. It was strongly felt that a risk assessment was essential when the matter was considered by Council.

The Strategic Director reassured members that the recommendations for cabinet were for financial support in principle. When considered by Council there would be specific costs included and £100,000 had already been allocated for the project within the budget. He agreed that as the Council would be reliant on obtaining funding there would be an element of risk involved.

Councillor T Eynon proposed a change to the wording of the Cabinet recommendations to acknowledge the amount of risk involved and to ask for a comprehensive risk assessment to be undertaken before approval by Council. This needed to include the impact of HS2 eastern branch to East Midlands not happening; no government funding for the interim vehicle; climate change challenge not embraced; impact of COVID 19; and new legislation not being forthcoming and an alternative structure for the Development Corporation being necessary, meaning it would not be “locally led”. Following a discussion by Members and advice received from the Monitoring Officer, it was agreed that recommendation 3 be amended to read as follows:

‘Subject to the comments made by the Committee and the undertaking of a full comprehensive risk assessment prior to consideration at Council, the cabinet recommendations as detailed in the report be approved.’

Subject to the amendment to recommendation 3, It was moved by Councillor T Eynon, seconded by Councillor M Hay and

RESOLVED THAT:

- 1) The progress made to date regarding the East Midlands Development Corporation and the establishment of an Interim Vehicle be noted.
- 2) Comments made by Committee be considered by Cabinet at their meeting on 10 November.
- 3) Subject to the comments made by the Committee and the undertaking of a full comprehensive risk assessment prior to consideration at Council, the cabinet recommendations as detailed in the report be approved.

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