

At a Meeting of the **HUB COMMITTEE** held in the **Council Chamber, Kilworthy Park, Tavistock** on **TUESDAY** the **21st** day of **June 2022** at **10:00 am**

Present: Cllr N Jory – Chairman
Cllr C Edmonds – Vice Chairman

Cllr R Cheadle Cllr P Crozier
Cllr A Leech Cllr C Mott

In attendance: Chief Executive
Section 151 Officer
Director – Place and Enterprise
Democratic Services Manager
Senior Specialist - Assets
Senior Specialist – Economic Development

Other Members also in attendance in a non-voting capacity:

None

***HC 14/22 APOLOGIES**

Apologies for this meeting were received from Cllrs L Daniel, B Ratcliffe and P Vachon.

***HC 15/22 DECLARATIONS OF INTEREST**

Cllr Mott declared an interest in agenda Item 6 'Springhill Update' (Minute HC 18/22 below refers) by virtue of being a Member of the Development Management and Licensing Committee and remained in the meeting and took part in the debate thereon.

***HC 16/22 MINUTES**

The Minutes of the Hub Committee meeting held on 7 June 2022 were confirmed as a correct record.

***HC 17/22 PUBLIC QUESTION TIME**

It was noted that no Public Questions had been received in accordance with the Hub Committee Procedure Rules.

***HC 18/22 SPRINGHILL UPDATE**

Members received a verbal update on the Springhill Project. In summary, the lead officer informed that:

- conditional approval had been granted by the Development Management and Licensing Committee in December 2021, with the tender issued on 25 April 2022 with a deadline for submissions being 7 June 2022;
- the current construction industry challenges. Members noted that the availability of suppliers was currently being affected by the unprecedented challenges facing the construction industry.

These were being brought about by the effects of: rising inflation; the ongoing conflict in the Ukraine; Brexit; the Covid-19 Pandemic; rising energy prices; and the UK ban on the use of rebated diesel. Given these challenges, officers included the offer of a 'Contractors Day' on 10 May 2022 in order to quickly gauge the likely level of interest. Unfortunately, only two contractors registered for this event – one of which only being suitable for the demolition element of the project. This provided an early indication of the potential difficulties in securing a contractor and these concerns were proven to be accurate when the closing date of 7 June 2022 passed with no submissions being received;

- six contractors had formally opted out of the process. Upon closer inspection, the reasons cited for opting out had included:
 - o the challenges associated with the site (size, access etc);
 - o the adjacency to the highway location requiring road closures and management;
 - o inflationary costs of materials (a risk on the supply chain) creating cashflow challenges for small and medium sized firms;
 - o insufficient resources at this time; and
 - o an inability to meet requirements;
- the Southern Contractors Framework. Given the importance of advancing the Springhill project, officers have commenced discussions with the Southern Contractors Framework and the following potential steps have been identified to be pursued:
 - o the ability to issue an expression of interest through the Southern Contractors Framework lots; then
 - o if interest was gleaned; then the Council could undertake a two-stage process: Step 1 – based upon some general rates and quality questions; and Step 2 – the negotiation phase;

Since all other potential options would involve the project being paused, officers were of the view that the Southern Contractors Framework was the only available option to pursue at this time;

- viability issues. Given the current economic climate, officers confirmed that they would continue to review the business case to account for income and cost avoidance.

In discussion, the highlighted challenges were recognised by Members and the need to take into account, as part of any viability assessments, the significant rising third party accommodation costs were also stressed.

It was then **RESOLVED** that the verbal update be noted.

HC 19/22 LEVELLING-UP FUND 2 BID

Members were presented with a report that provided an update following the decision of Full Council on 5 April 2022 to submit an application to the Levelling Up Fund Tranche 2 for Capital Funding for West Devon Transport Hub in Okehampton (Minute CM 70 refers).

The report also set out details of the opportunity for the Council to submit a bid to the UK Shared Prosperity Fund (UKSPF) which had a deadline of 1 August 2022.

In discussion, unanimous support was expressed for the recommendation and it was confirmed that any financial commitment from the Council would only be awarded in the event of the Bid being successful.

It was then **RESOLVED** that:

1. in view of the timetable for the submission of the Bid authorised by Council on 5 April 2022 (Minute CM 70 refers) and the clarification of the likely capital costs of the West Devon Transport Hub in Okehampton, the Director of Place and Enterprise be further authorised to indicate in the Bid to the Levelling Up Fund 2, that the Council intended to make a match-funding contribution of £120,000;
2. the match-funding contribution of £120,000 be funded from the UK Shared Prosperity Fund (UKSPF) monies allocated to the Council in the first instance. In the event that the Council was not allocated any UKSPF monies or they were insufficient, the match-funding contribution, be funded from the Business Rates Retention Earmarked Reserve;
3. Council be **RECOMMENDED** to ratify the above decisions at its meeting to be held on 19 July 2022, failing which the Council's commitment to give financial support for the Bid be withdrawn; and
4. Council be **RECOMMENDED** to delegated authority to the Director of Place and Enterprise, in consultation with the Leader of Council, to submit the UK Shared Prosperity Fund Bid for £1million in accordance with section 2.13 and Appendix 1 of the presented report, before 1 August 2022 deadline.

(The meeting terminated at 10.25 am)

Chairman

(NOTE: THESE DECISIONS WILL BECOME EFFECTIVE FROM THURSDAY, 30 JUNE 2022, WITH THE EXCEPTION OF MINUTE HC 19/22 PARTS 3 AND 4 WHICH IS A RECOMMENDATION TO THE COUNCIL MEETING TO BE HELD ON 19 JULY 2022, UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18)