



Leicester
City Council

Minutes of the Meeting of the
ECONOMIC DEVELOPMENT, TRANSPORT AND CLIMATE EMERGENCY
SCRUTINY COMMISSION

Held: WEDNESDAY, 20 MARCH 2024 at 5:30 pm

P R E S E N T:

Councillor Waddington – Chair
Councillor O'Neill – Vice Chair

Councillor Batool
Councillor Osman
Councillor Whittle

Councillor Gopal (Substitute)
Councillor Porter

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60. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Dawood.

Apologies for absence were also received from Councillor Rae Bhatia.
Councillor Gopal substituted.

61. DECLARATIONS OF INTEREST

There were no declarations of interest.

62. MINUTES OF THE PREVIOUS MEETING

AGREED:

That the minutes of the previous meetings held on 31 January 2024 be confirmed as a correct record.

63. PETITIONS

It was noted that none had been received.

64. QUESTIONS, REPRESENTATIONS AND STATEMENTS OF CASE

It was noted that none had been received.

65. 20MPH ZONES INFORMAL SCRUTINY - UPDATE

The Chair gave a verbal update on the informal scrutiny work on 20mph Zones in the City having presented it to the Executive.

Key points included:

- Three meetings had been held on the subject and the report and recommendations had been approved at the last meeting of the Commission.
- The report had been taken to the Executive and a response would be produced to show that the Executive would be taking the recommendations on board.
- The Chair thanked the members and officers involved, particularly Senior Governance Officer Georgia Humby as the Executive were impressed by the approach taken and saw it as a model in terms of procedure for future task groups. Although it was acknowledged that some groups may require more than three meetings.

AGREED:

That the verbal update be noted.

66. ELECTRIC VEHICLE CHARGING INFORMAL SCRUTINY - UPDATE

The Vice-Chair gave a verbal update on the informal scrutiny work on Electric Vehicle (EV) charging points in the city following the first meeting of the task group.

Key points included:

- The group had completed its first meeting which looked largely at the current situation regarding charging in the city and the various funding streams available and what they could be used for.
- At the second meeting, groups would be invited who may have opinions and insights on the issue.
- It had been interesting to consider what the situation with EV charging points would look like in an ideal world and what it could look like given the resources available.
- Members of the Commission were invited to the next session. The next meetings would take place on 9th and 29th April and would be held via Microsoft Teams.
- Members of the Commission were invited to suggest stakeholders who could contribute.

AGREED:

That the verbal update be noted.

67. WATERSIDE UPDATE

The Programme Manager and Head of Development - Planning, Development and Transport gave a presentation on the Waterside development.

The Director of Planning, Development and Transport attended the meeting to assist with the discussion.

Slides were presented (attached).

Other key points included:

- A great deal of activity had taken place developing the Waterside area and Pioneer Park.
- The Waterside development was around 100 acres in area.
- The area had previously become relatively derelict, largely due to the decline of the textile industry in the area.
- The area had been identified as a regeneration priority in the local plan.
- A regeneration strategy had been set out around planning guidance in the area in a very simple and clear way for developers to understand. This also included the allocation of public space in the area.
- As part of the project, the Council took the opportunity to acquire and restore Friars Mill, which was converted to managed workspace that was managed by the Chamber of Commerce. In addition to the restored historic buildings, further new-build office space was constructed and been put up for sale. This was a good scheme in its own right, but was also a statement of intent about the commitment to regenerate.
- A compulsory purchase of 17 acres in the middle of the area was shown on the slide.
- It was clear that the market could not bring the site forward on its own as there were too many individual land interests. Nonetheless, it was necessary for the site to come forward in order to act as a catalyst to stimulate investments in the surrounding sites.
- This in mind, the Council had set about a Compulsory Purchase Order (CPO) for a housing and office scheme. This had focussed on houses rather than apartments as there was an intention to create competition and choice in the market, alongside surrounding privately owned sites which would be predominantly apartment schemes. This development included 'extra care' affordable housing. It also created office space for between 400-500 jobs. The development of the compulsorily acquired land was halfway through completion, and it was thought it would be complete by 2026.
- A £30m grant had been received from the Leicester City Council Capital Programme and Local Growth Fund and Right to Buy receipts to be

invested in affordable housing.

- The Council held the risk for development which had allowed delivery to happen at pace. The full market value of £11m had been received for the land.
- Since the start of the developments in 2015, around £300m of private sector money had been invested in the city and around 1000 student bed places had been created, as had around 1000 houses and apartments. Additionally, a great deal of office and leisure space had been created. This created revenue for the Council worth £2m per year. This represented a good return on the initial investment.
- The Council were in discussions with Homes England and the relevant landowners to develop more offices and homes.
- The former A50 (Woodgate/Northgate Street) is currently being reconstructed to create a High Street environment and make the area feel like a neighbourhood within the city centre.
- As well as being a neighbourhood in its own right, built on brownfield land, the central location of the development would bring people into the city centre and thus support its economy.
- Historically, the city had turned its back on the river, and this development had helped connect people back to it.

The Commission were invited to ask questions and make comments. Key points included:

- The CPO had public spaces planned within the scheme. This included a small park with green infrastructure around Soar Island. Additionally, there were trees on highways throughout the scheme. The former A50 reconstruction work had also included the planting of street-trees.
- The Council had very limited further land interests in the area and as such the ongoing development of the wider Waterside area was in the hands of the private sector and depended on when they were ready to bring sites forward. Many of the remaining sites are subject to complex physical constraints such as flood risk and the Council would work with the Environmental Agency and organisations such as Homes England on how they could help, however, it was difficult to put a timescale on completion. Despite this, members were assured that the development would be completed.
- The Chair congratulated everyone involved for their work, noting that it was a big achievement that set an example for the future.
- In response to a query about contractors using local streets for their vehicles, it was noted that the contractors Keepmoat were using local streets for arrival and departure from the sites. Councillors were asked to inform the Director of Planning, Development and Transportation if this became an issue for residents.
- With reference to construction work currently underway on the former A50, it was confirmed that when complete the road would be open two ways.

- The site across the road from Slater Street School was proving difficult to get developed. However, recent discussions with the landowner were more positive and the owner was being helped through issues such as flooding. Discussions were being enabled through partners. It was recognised that the site was in need of development as it had become an eyesore.
- There were two listed buildings on the edge of the site. These had been difficult to develop, but recent discussion had been positive. It was requested that the Commission receive a report on the issues discussed regarding Waterside and the adjoining areas.

Cllr Porter arrived during the discussion of this item.

The Head of Development Projects gave a presentation on Pioneer Park now known as Space Park.

Slides were presented (attached).

Other key points included:

- Proximity to the Space Centre, existing land ownership formed a good baseline from which to bid for significant government funds to enable the council to intervene in the area to promote growth.
- There were parallels between the Waterside and Pioneer Park developments. Whilst they had different focusses, focussing on different sectors with Waterside having a more residential focus, both were part of the Enterprise Zone, and both showed how brownfield sites could be tackled using the resources that the Council had at its disposal with the backing of government funds.
- The council have in other areas worked with owners and developers to support speculative developments with high job outputs through the underwriting of leases.
- The Council had been fortunate in blending different types of funding together.
- Partnership working was important, co-ordinating interventions from parties such as the LLEP, Environment Agency and others.
- Planning guidance formed a key part of the Waterside process. In particular producing good, clear guidance that informed landowners and private developers of suitable uses, massing and scale to give confidence to bring forward their own schemes.
- The Council was unusual in its in house experienced and skilled staff who had a track record of identifying opportunities, successfully bid for funding and deliver a range of technical schemes.
- In a recent conversation with Homes England it emerged that they were struggling to find councils across the country who had the correct skill set for development. Leicester City Council had been asked specifically by Homes England whether it retained internal resource and experience to deliver regeneration and development, which the Council did.

The Commission were invited to ask questions and make comments. Key points included:

- Planning permission had been received to develop the site of industrial units at Abbey Court to deliver a significant uplift in floorspace in Pioneer Park and work to demolish and clear the site would commence shortly ahead of any potential land sale.
- Docks 1 and 2 were freeholds owned by the Council.
- When good quality office space became available, it was often occupied quickly, however, older office space was more difficult to lease. Some of this older office space was developed as residential.
- A major challenge in building good quality space was knowing whether rental levels could cover the development cost.
- Regarding sites in and around the city, it was hoped that in future developers could bring forward development, however for the foreseeable future the Council would need to have involvement if there was to be good quality space.
- In terms of allocation of Homes England and Levelling Up grants:
 - £9m went on Pilot House.
 - £17.5m went on the Railway Station.
 - £20m on pioneer park
 - £10m allocated to the St Margarets underpass.
- It was unknown if more levelling-up money would be received.
- A fire had severely damaged Friars Mill in 2012, however, much of what had survived, such as the original iron work supports and floor structures, had been retained in the scheme. Architects had sensitively adapted the space to make the most of the historic features. The character of the building was good and award-winning.
- The opportunity to acquire the Friars Mill site had occurred when the 2008 financial crash led the owner to hand ownership back to the bank, whilst at the same time the Council had come into EU Regional Development Funding and as such knew they had the money to convert the property.
- The Friars Mill site had a district heating network across the site providing green heat distributed to buildings through a network of pipes. this meant that the heating was low-carbon.
- Rainwater flowed into a tank under the Friars Mill car park and then discharged slowly into the river, acting as a flood intervention. Assessments had been made on flooding of the CPO'd when the river was at peak levels and were satisfactory. The pedestrian walkway by the river at the CPO'd site was 5-6m wide and deliberately designed to flood in an extreme storm event. Through this measure, the site provided additional flood storage capacity for the area, and created flood storage that reduced the flood risk from other sites on the network.
- The Dock buildings being delivered with Levelling Up funding at Pioneer Park would be Carbon Zero. The Ian Marlow site was pure industrial

units and would therefore met EPC rating A.

- Previous work undertaken by the council with Local Growth Funding from the LLEP was used to improve the wetlands along the river by Pioneer Park which increased flood storage to offset flood risks.
- No complaints had been received from tenants about the cleanliness of the river.
- The John Ellis site included a Technology and Teaching base within phase 1 with a second phase planned to create additional business space attracting additional Space sector businesses to the campus.
- It was requested that other projects such as Ashton Green and the Railway Station be brought to the Commission for consideration.
- The CPO at Waterside consisted of 17 acres being developed by Keepmoat Homes who were building houses to sell. 140 houses had been built so far. Sales values were high, but as values increased, the Council benefited from this due to an agreement with Keepmoat.

AGREED:

- 1) That the report be noted.
- 2) That the comments of the Commission be noted.
- 3) That a report on the issues discussed regarding Waterside and the surrounding areas come to the Commission.
- 4) That a site visit to the Waterside development be arranged.

68. LABOUR MARKET: WORKER EXPLOITATION

The Head of Economic Regeneration submitted a report relating to worker exploitation in sectors other than the textiles sector.

Dr Nik Hammer, Director of the Future of Work Cluster at the University of Leicester attended the meeting to assist with the discussion.

Key points included:

- The report referred to labour exploitation in the city and what was known of it.
- Work had been undertaken to look at the textiles sector and a Labour Market Partnership had been brought together to address concerns.
- It was noted that the Council did not have any powers or resources in relation to Labour Exploitation and enforcement, all of this lay with national enforcement agencies. However, it was established to see what the Council could do to address issues despite this.
- A Community Safety Coordinator post was established and was working on enforcement with national regulators, as well as working with communities and partners.
- The post had been appointed to in March 2020. When the Covid-19 pandemic occurred, the Leicester textile sector was criticised and national regulators devoted resources to increase enforcement in the city via Operation Tacit (OpTacit), working with the Labour Market

Partnership. This was a significant piece of work nationally as it was unusual for national regulators to devote resources to a particular sector prior to this.

- Detailed evaluation by the Director of Labour Market Enforcement of the work done was to be published in 2023, however, this had not occurred and as such the information was not yet available. However, it had been shown that there was a lot of interest in labour exploitation in the city and as such work was proposed to look at this area, particularly in terms of what it meant for economic sectors and geography.
- University partners had been engaged to support new work to assess the extent of labour exploitation across all sectors and it was being considered as to what could be done to move the work forward.
- The University of Leicester had a research cluster in the Business School with a large range of interdisciplinary and different sector expertise, looking at areas such as the care sector, the gig economy and precarious labour market issues.
- It was proposed to expand and broaden the approach to include sectors outside the textile sector. This would require research with a range of local labour market partners and government agencies as well as analysing any available data.
- This work could then inform any Council response to these issues.

The Commission were invited to ask questions and make comments. Key points included:

- Annual reports of the work undertaken by the Labour Market Partnership was available on the Council Website and would be circulated to members. This work looked at the enforcement activity by the partnership and community engagement work undertaken.
- The Labour Market Partnership Coordinator post had cost £150k. This role had engaged with a broad range of community and sector organisations. Additionally, work had been carried out with regulatory enforcement bodies to help encourage collaborative working and help engage with local organisations such as the Council and the Police. The Council had lots of services in the community and so it was desirable to ensure that they were joined up.
- It was not known at this point why the review of Op Tacit by the Director of Labour Market Enforcement had not yet been published
- It was the intention of the University of Leicester study to look objectively at where it was thought that labour exploitation may be prevalent and to gather data. It was intended for decisions to be made jointly on which sectors to look at.
- It was suggested that should the focus for any similar activity be broadened; it would be important to still take consideration of the textiles sector. It was further suggested that the hospitality and catering sectors could be looked at as well as construction, which was often seasonal and could make use of migrant and student labour which was not always

formalised.

- The work was welcomed in relation to mapping out the businesses engaged in exploitation and working with partner agencies which might have more information.
- It was necessary to begin with an open mind on where the data would lead.
- The work envisaged should look at the work done locally and what was possible in terms of Council intervention. It would also be necessary to look at best practice from elsewhere as this issue was not exclusive to Leicester. It was hoped that the work would advise and create options.
- It was raised that if people in the Council were aware of exploitation, they should raise it with the relevant authorities and not be inactive due to a lack of enforcement authority.
- The Chair noted that the work was vitally important, and it was necessary to think about how to undertake the work, noting that member involvement was important. With this in mind she requested that the issue be brought as an item to the first meeting of the next municipal year. She thanked people involved with the work for their interest.

AGREED:

- 1) That the report be noted.
- 2) That the comments of the Commission be noted.
- 3) That the issue be brought to the first Commission of the new municipal year with a recommendation on how to proceed with the work.

69. LLEP ARRANGEMENTS

The Director of Tourism, Culture and Inward Investment submitted a report to reflect on the impact of Leicester and Leicester Enterprise Partnership spanning from its inception in 2011 to the present day and to note progress with the transfer of LLEP functions into Leicester City Council on behalf of the City and County Councils.

Key points included:

- There had been a change in government policy which was moving towards a bigger role for upper-tier authorities and elected leaders.
- It was likely that the changes would also enable government to reduce the sum of money that had previously supported the LLEP.
- The LLEP Board were resigning, and the legal entity was effectively being phased out in the new financial year.
- A new structure to engage businesses and partners and to advise elected leaders was to be established.
- The existing, nationally renowned careers hub had developed effective partnerships between businesses and schools and was a priority to

retain.

- The LLEP had undertaken an organisational review resulting in the loss of some posts and the creation of others as services were being redesigned.
- There were sufficient LLEP reserves to support retained staff and services for two years until March 2026.
- A more detailed report on the LLEP arrangements would be brought at a later stage.

The Commission were invited to ask questions and make comments. Key points included:

- Government feedback on the proposed integration plan is still being awaited but this was likely to be received and resolved in the next month or so.
- New arrangements would give the Councils more significance in decisions on budgets and strategy. Though it was desirable to retain the voice of businesses advising, elected members would have more say.
- It was not known what would replace some of the programmes that had been managed by the LLEP. Some, like the UK Shared Prosperity Fund, had already transferred and were now council led.
- The Council were the accountable body for the Skills Bootcamps, and as such would have more influence.
- Clearer allocation of resources to local councils across functional economic areas could help with planning and avoid time and resource being wasted on competitions.
- Councils having more control was part of an ongoing devolution process.
- Cllr Porter queried the rationale for supporting IBM with £1m grant to locate in Leicester. Agreed further detail about the decision to be provided.
- Having functions more clearly council led should make accountability and elected member scrutiny easier.
- In terms of administration, the Council were always the contracting authority.

AGREED:

- 1) That the report be noted.
- 2) That the comments of the Commission be noted.

70. WORK PROGRAMME

It was noted that the informal scrutiny on 24-hour bus lanes had been upheld whilst government guidance was being awaited. This guidance was now available and as such it was requested that it be put on the agenda for the first

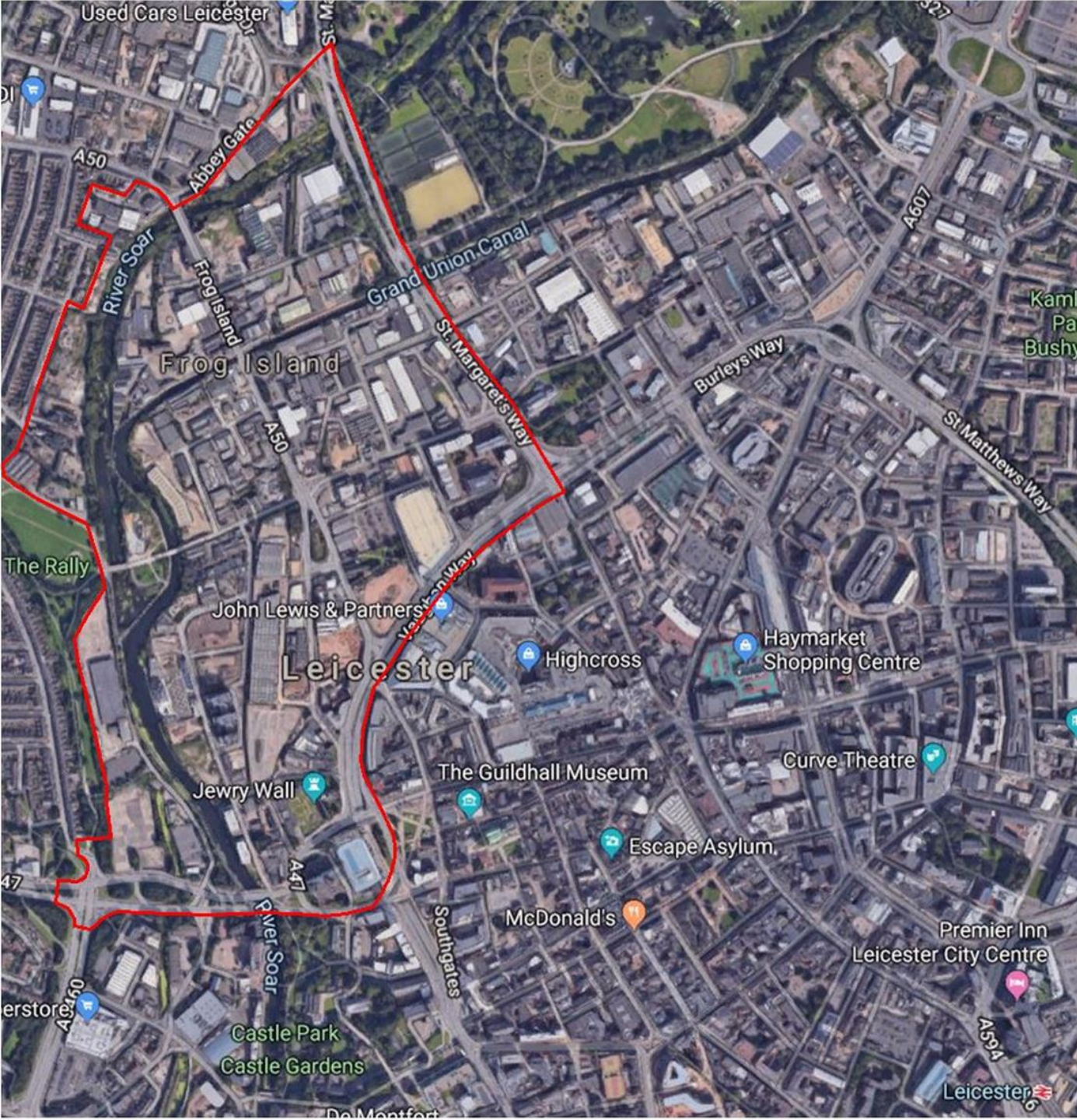
meeting of the municipal year.

Further to this, officers were requested to consider the guidance and the issue of 24-hour bus lanes.

The work programme was noted.

71. ANY OTHER BUSINESS

There being no further items of urgent business, the meeting ended at 19:39.



Leicester Waterside & Pioneer Park

**Economic Development,
Transport and Climate
Emergency Scrutiny
Commission**

March 2024

Minute Item 67

Waterside area 50 years ago



Waterside area 10 years ago

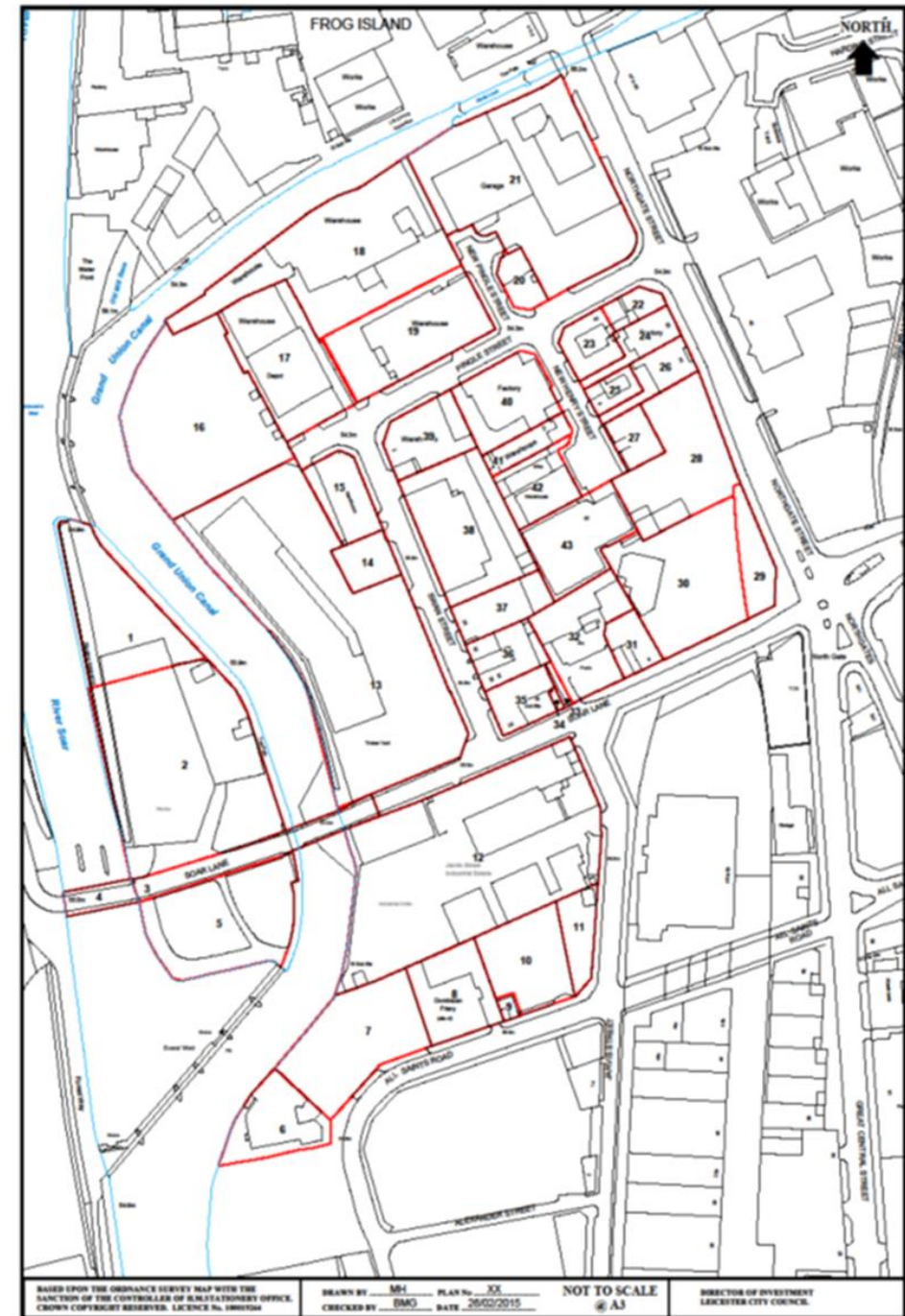






Waterside CPO

- 17-acres
- 80-interests in all
- Majority of affected businesses who wished to move successfully relocated.
- Partnered with Keepmoat Homes
- Predominantly housing and apartments for sale, to complement market apartments for rent
- Offices own-front-door, for-sale, to complement multi-tenure for rent by CSB



Waterside area 2 years ago

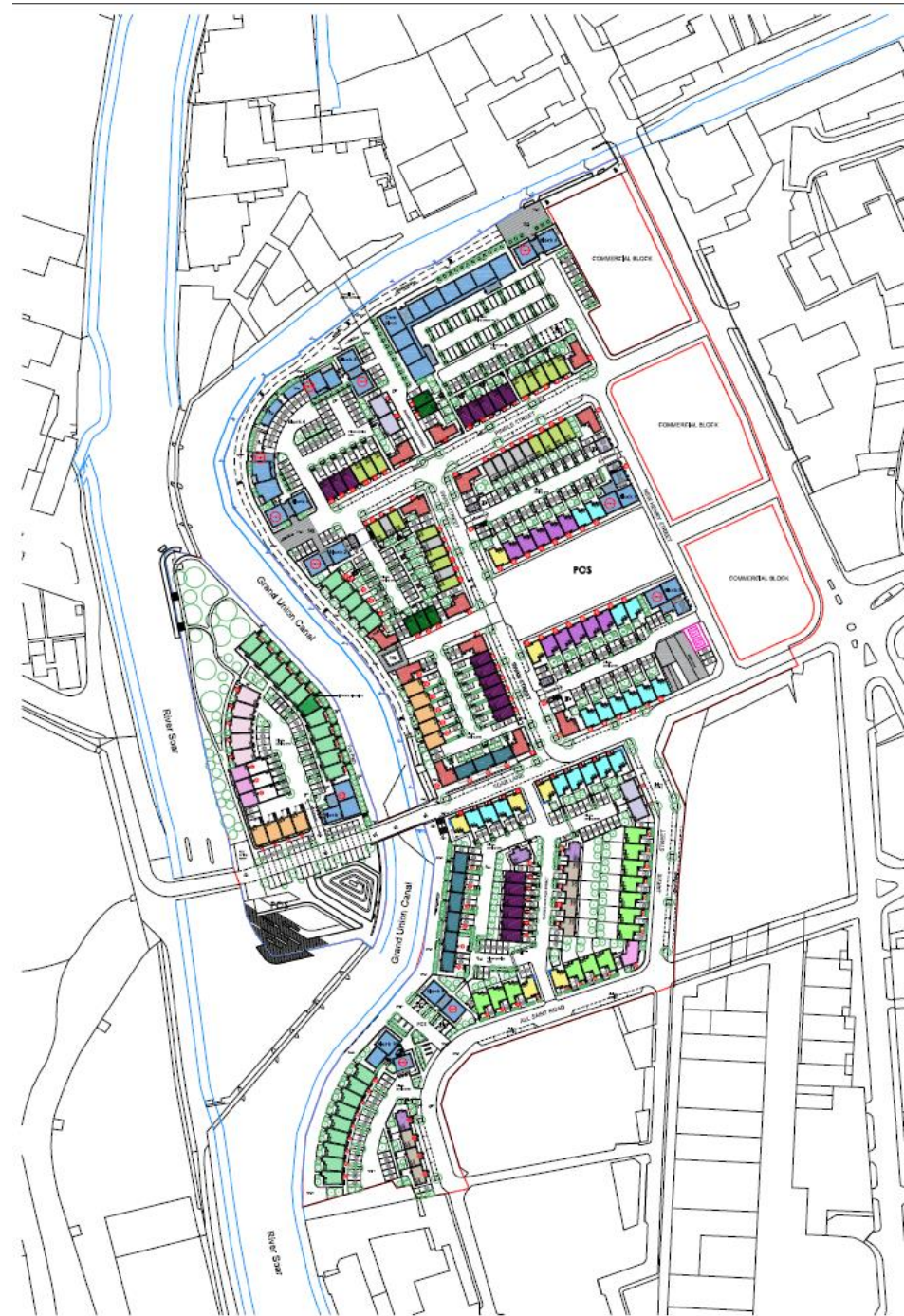


Waterside today



LCC/Keepmoat Investment and Outcomes

- 363 homes in total comprised of:
 - 288 market-for-sale houses and apartments
 - 75 affordable supported living apartments (20%)
- 5,500sqft of office space (400+ jobs)
- Public Open Space
- All to be complete by 2027. To date, first 100 homes and first phase of three office blocks complete and occupied.
- Public funding of:
 - £5M LCC capital programme (land and infrastructure)
 - £20M Local Growth Fund (land and infrastructure)
 - £4.9M Right to Buy (affordable homes provision)
 - Potential further contribution to affordable homes from Homes England
- Full market value for development land to be paid to LCC (£11M)









Adagio APARTHOTEL

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NOE



Pioneer Park area 20 years ago

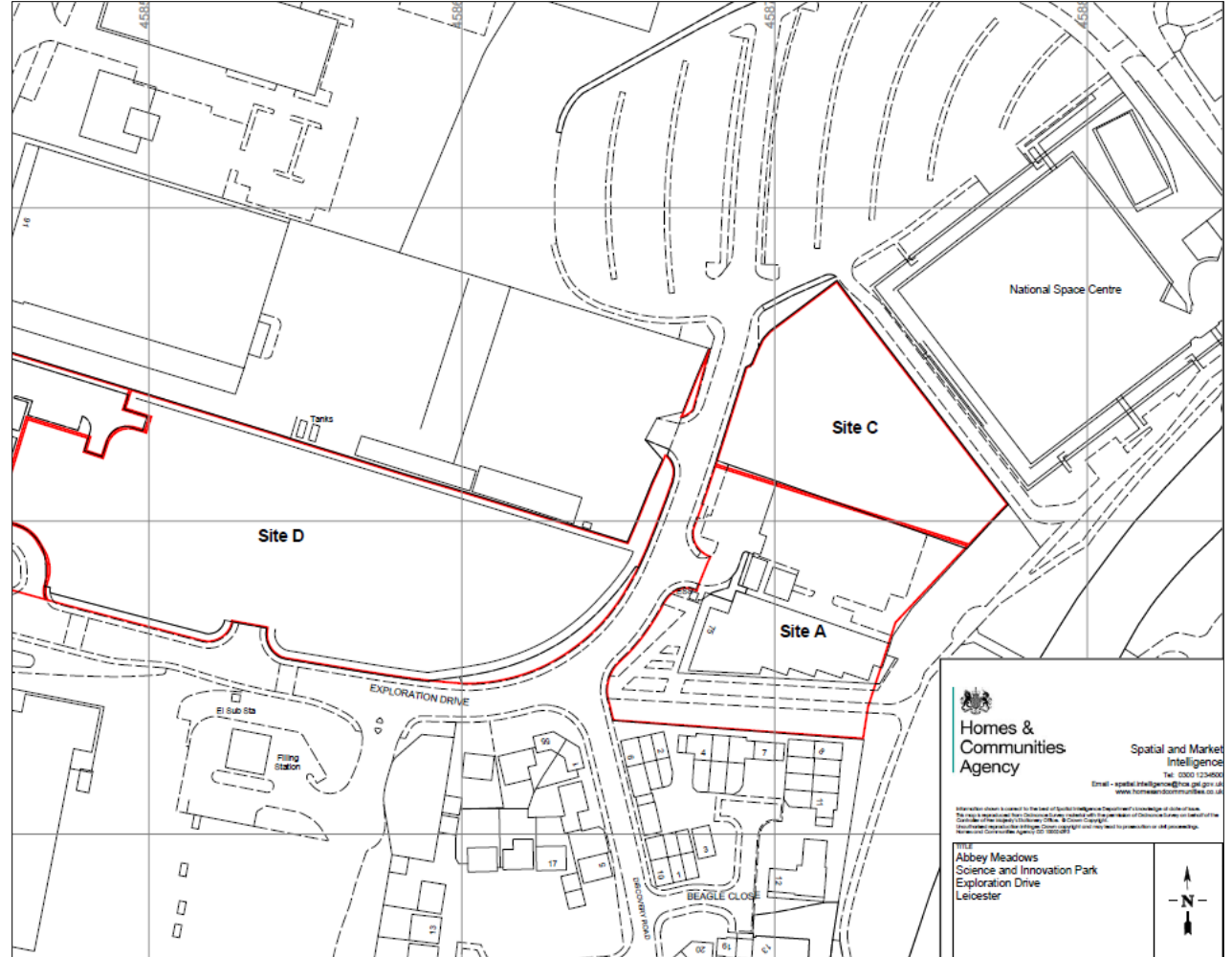


Public sector interventions post 2010

- Dock
- Dock 2
- Dock 3-5
- Space Park (Former John Ellis site)
- Abbey Court
- Ian Marlow Centre
- Public Realm and connectivity improvement works

Site assembly

- Building on the National Space Centre, LCC had the opportunity to purchase brownfield land
- 3 sites in the ownership of former Homes & Communities Agency
- LCC purchased this brownfield land as part of a vision to create a technology hub within Leicester City.
- The former John Ellis site and Abbey court were already in LCC ownership with the school site sitting vacant



Dock



Completed 2013

3500 Sq.M

£7m ERDF funded.

Creation of 55 units for
SME businesses
specialising in technology
and innovation sector

Consistently 90%+
occupied

Dock 2



- Completed March 2021
- 2,600 Sq.m
- £2.6m LGF funding/£2.4m LCC
- £5m Project total
- 20 units, including 6 ground floor manufacturing units.
- 90%+ occupied

Former John Ellis Site



- 3.97ha vacant site in LCC ownership which was remediated for employment use.
- £1.4m to remediate and complete infrastructure works (including fully servicing the site) ready for construction.
- Part of a wider £5m programme allocated from the Local Growth Fund to unlock various infrastructure schemes within Space City.
- Scheme was completed May 2021 and sold to Leicester University.

Space Park Leicester

- Leicester University purchased the former John Ellis Site from LCC to construct Space Park Leicester.
- £50m facility bringing together academic knowledge and opportunity to manufacture/test satellites.



- Space sector expected to be one of the world's fastest growing sectors in next 30 years.
- Over 125 highly skilled jobs created
- Nationally significant



Public Realm and connectivity improvement works

- Completed May 2021
- £260k from the Local Growth Fund to improve connectivity between the National Space Centre, Abbey Pumping Station, and Space Park Leicester.

Plan of Space City / Connections



Levelling Up: Dock 3-5



Levelling Up: Dock 3-5(Cont)



- Opening May 2024
- £16.5 m investment in 3 net carbon zero buildings
- 6,000sq.m of office and light industrial space.
- 54 separate units
- Highest quality office/industrial specification in Leicester
- Funded £12.5M LUF, £3.5M LGF & £0.5M LCC
- Strong tenant interest



Abbey Court

- Former Industrial estate
- As part of Levelling up bid, received funding to demolish and service the site
- This will provide a new site to enable Space City to grow
- Planning consent for up to 6,000 sq.m of new office, light industrial
- Improved public realm and connectivity through Space City
- £1M funding, predominately LUF
- Enabling works completed Summer 24
- About to commence marketing

Former Ian Marlow Centre, Blackbird Road



Ian Marlow Centre (cont)



- Former LCC Housing depot closed 2020/21
- On site now-opens Autumn 24
- 21 units over 3,000sq.m
- Much needed new small industrial units
- £6.5m, £5.5m LUF, £1m LCC
- PV on roofs and 6 electric vehicle chargers
- Highest spec for industrial units – EPC A

Brownfield Land Toolkit

- Compulsory Purchase (CPO)
- Acquisitions
- Underwriting leases
- Grant Funding e.g.
 - Homes England- Brownfield Infrastructure & Land Fund
 - One Public Estate- Brownfield Land Release Fund
 - Levelling Up Fund
- Partnership Working
- Planning

