

CABINET

Decision Notices and Minutes of a meeting of the Cabinet held on Thursday, 29th January, 2015 at 5.00 p.m. at Addenbrooke House, Ironmasters Way, Telford

PUBLISHED ON WEDNESDAY, 4th FEBRUARY, 2015

(DEADLINE FOR CALL-IN: MONDAY, 9TH FEBRUARY, 2015)

PRESENT: Councillors K.S. Sahota (Leader and Chair), E.A. Clare, S. Davies, A.R.H. England, W.A.M. McClements, R.A. Overton, H. Rhodes and C.F. Smith

ALSO PRESENT: Councillors A.J. Eade (Conservative Group Leader) and Councillor W.L. Tomlinson (Liberal Democrat/Independent Group Leader)

CB-80 MINUTES

RESOLVED – that the minutes of the meeting held on 8th January 2015 be confirmed and signed by the Chair.

CB-81 APOLOGIES FOR ABSENCE

Councillor P.R. Watling

CB-82 DECLARATIONS OF INTEREST

Councillor K.S.Sahota declared a disclosable pecuniary interest in relation to agenda item 5 – Telford Homefinder

Councillor R.A. Overton declared a disclosable pecuniary interest in relation to agenda item 5 – Telford Homefinder

Councillor S. Davies declared a disclosable pecuniary interest in relation to agenda item 9 – Dawley Regeneration and Improvement Works

CB-83 UNLOCKING STALLED HOUSING AND EMPTY FLOORSPACE ABOVE RETAIL PREMISES

Key Decision identified as **Unlocking Stalled Housing Sites** in the Notice of Key Decisions published on 15 August 2014.

Part Recommendations to Full Council in relation to decisions (c) and (d) below not subject to Call-in

Councillor C.F. Smith, Cabinet Member: Housing, Development & Borough Towns, presented the report of the Assistant Director: Development, Business

& Employment, which set out proposals for a pilot scheme to address stalled housing sites in the Borough, and for a scheme to support the conversion of vacant retail space to residential accommodation.

One effect of the economic recession that began in 2008 was that a number of development sites in the Borough had not come forward or remained partially built. These unfinished or unoccupied properties and sites had a significant and detrimental social and economic impact on adjacent communities, as well as representing a financial loss to the Council in terms of income from Council Tax and New Homes Bonus. The Council had successfully managed to broker a way forward for a small number of sites without resorting to financial intervention. However, a number of other 'major' sites (defined as over 10 units) required external funding to overcome issues of viability due to falling land values and lack of access to credit to enable delivery.

To address this issue, it was proposed to launch a pilot scheme which would use income generated from New Homes Bonus and Council Tax to provide gap funding up to a maximum of c£156,000 as well as a loan to address viability issues. The report set out a number of criteria for the operation of the pilot scheme. The funding was seen as a route of last resort, where a site would not be brought back into use in the foreseeable future without intervention. The business case for investment would need to demonstrate that the capital investment, or gap funding, could be repaid in revenue income from the growth in New Homes Bonus. The loan would be charged at a market interest rate and would need to be repaid within five years. Where appropriate, the provision of funding could require commitments from the developer for nomination rights for rental properties, employment of apprentices etc. The scheme would therefore be cost neutral to the Council.

There was currently no capital budget allocation to fund such a scheme, and it was being recommended to Council that approval be given to increase prudential borrowing by £2m. The report also set out details of the proposed loan scheme to support the pilot.

Linked to the above was a proposal to incentivise landlords/owners to bring accommodation above retail premises into use for residential purposes, with a pilot project being focussed on Dawley and Wellington Centres to complement other planned regeneration activity. The pilot would be used to identify the level of interest and the most appropriate package of support needed. There would be eligibility criteria and a business case would be required for each investment. It was proposed to finance the capital funding by using up to the New Homes Bonus allocation(c£6,000) arising when a property was brought into residential use.

Members welcomed the proposals in the report, and the possibility that it could help to "unlock" problem sites in the Borough, such as the Manor Heights flats in Hadley. It was also noted that the pilot would only apply to development on brownfield sites or previously developed land. Councillor A.J. Eade (Conservative Group Leader) referred to the additional borrowing required, and his concern that public money was being given to private

developers. In response, the Cabinet Member stated that the Council had adopted a similar scheme in 2010 to provide assistance for small stalled schemes. There would be stringent safeguards in place, with tightly drawn-up agreements with developers/applicants in relation to the loan scheme.

RESOLVED –

- (a) That authority be delegated to the Assistant Director: Development, Business & Employment, in consultation with the Assistant Director: Finance, Audit & Information Governance and the Cabinet Member: Housing, Development & Borough Towns, to implement the proposals and associated agreements to address stalled housing units, in line with the terms set out in the report;
- (b) That authority be delegated to the Assistant Director: Development, Business & Employment to enter into agreements to incentivise owners of vacant floorspace above retail premises to convert this for residential purposes, in line with the terms set out in the report;
- (c) To RECOMMEND to COUNCIL that approval is given to increase prudential borrowing by £2,000,000 and for the capital programme to be amended as required to support the proposals within the report;
- (d) To RECOMMEND to COUNCIL that approval is given for the investment of New Homes Bonus and Council Tax growth as required to support the proposals within the report;
- (e) That authority be delegated to the Assistant Director: Law, Democracy and People Services to approve and execute all necessary legal documentation in accordance with the Constitution required for the purposes of implementing the recommendations of Cabinet and Council arising out of the report.

CB-84 ELECTION OF CHAIR FOR NEXT ITEM OF BUSINESS

Having declared an interest in the next item of business, Councillors K.S. Sahota and R.A. Overton left the meeting room. As the Chair and Vice-Chair were no longer present, it was necessary to elect a chair to preside over the next item of business.

RESOLVED – that Councillor S. Davies be elected Chair for the duration of the next item of business.

CB-85 TELFORD HOMEFINDER – PROPERTY MANAGEMENT SERVICE

Key Decision identified as **Telford Homefinder** in the Notice of Key Decisions published on 12 November 2014.

Councillor C.F. Smith, Cabinet Member: Housing, Development & Borough Towns, presented the report of the Assistant Director: Development, Business & Employment, which outlined the progress of the Telford Homefinder scheme since its launch in July 2014, and proposals to develop the service to provide a property management service for landlords.

Telford Homefinder, an in-house, on-line letting agency was launched in conjunction with the Telford & Wrekin Landlord Accreditation Scheme which required all landlords and each individual property registered with the scheme to meet the Council's accreditation standard. To date, 51 local landlords had been accredited, more than 45 accredited properties had been advertised through the Telford Homefinder website, 25 clients who otherwise might have ended up in temporary accommodation had found properties through accredited landlords, and over 50 people had requested viewings on properties.

Since the launch, landlords had been consulted on the operation and potential development of the scheme. This had identified a range of additional services that landlords had said would increase take-up and revenue, including a property management service. To meet this demand, it was proposed that Telford Homefinders use spare capacity within their existing resources to carry out market testing and develop a property management service to landlords that would help meet housing need, tackle rogue landlords and raise standards in the private rented sector. It was also proposed to offer some tenant services, but without charging tenants a fee. A business case for the planned expansion of the Telford Homefinder scheme was appended to the report.

RESOLVED –

- (a) that the Phase 2 development of Telford Homefinder and associated Business Case for the provision of a commercial letting agency service for private rented properties, as set out in the report, be approved;**
- (b) that authority be delegated to the Assistant Director: Development, Business & Employment, in consultation with the Cabinet Member: Housing, Development & Borough Towns, to implement the proposals contained within the report, and thereafter refine the Business Case and implement any acceptable service developments that may be recommended by Officers from time-to-time – to be carried out on a cost recovery traded basis only in respect of Telford Homefinders Service and, in particular, the development of a lettings agency service.**

Councillors Sahota and Overton returned to the meeting room, and Councillor Sahota resumed the Chair.

CB-86 DONNINGTON RECREATION GROUND CENTENARY FIELDS

Non-Key Decision

Councillor E.A. Clare, Cabinet Member: Leisure Services & Culture, presented the report of the Assistant Director: Neighbourhood & Leisure Services, which sought approval for the Council to actively engage in the Fields in Trust's National Centenary Field programme, and to nominate Donnington Recreation Ground as a potential National Centenary Field site.

The Council had developed a positive relationship with Fields in Trust, and had in recent years dedicated three sites, including the Town Park Arena, as Fields in Trust under the Queen Elizabeth II Fields Challenge. The Centenary Fields programme had been established to commemorate the centenary of the World War One, and was a national partnership between the Royal British Legion and Fields in Trust. It aimed to protect war memorial parks and playing fields given in memory of those who lost their lives, as well as any other valued green spaces that had some significance to WW1. The report set out the details of the criteria for applications to the programme, and the applications process.

The Council had been approached by Lilleshall, Donnington & Muxton Parish Council to dedicate Donnington Recreation Ground as a Centenary Field. The site included memorial gates located at one of the entrances to the Recreation Ground.

A further three sites – Dawley Park, Hartshill Park and St Georges Recreation Ground – had been identified as potentially meeting the criteria, and it was proposed to enter into consultation with the respective Parish & Town Councils and landowners with a view to nominating them as potential National Centenary Field sites.

Members welcomed the additional protection of green space that this designation would afford, and hoped that other sites could be nominated.

RESOLVED –

- (a) that Donnington Recreation Ground be nominated for protection under the Centenary Fields programme, and that consultation take place on the other identified Parks and Recreation Grounds with a view to further nominations;**
- (b) that authority be delegated to the Assistant Director: Law, Democracy & People Services, in consultation with the Assistant Director: Neighbourhood & Leisure Services, Cabinet Member for Leisure Services & Culture and stakeholders, to execute any Deeds of Dedication should the nomination(s) be accepted.**

CB-87 REPRESENTATION ON OUTSIDE BODIES 2014/15 – WREKIN HOUSING TRUST

Non-Key Decision

Councillor K.S. Sahota presented the report of the Assistant Director: Law, Democracy & People Services, which asked Cabinet to consider the appointment of a replacement representative to the Wrekin Housing Trust for the 2014/15 municipal year.

The Council was a corporate trustee of the Trust, and since 2007 had appointed annually one Elected Member to represent the Council on the Board. Since 2011/12 the appointed representative to the Trust had been Councillor F.R. Picken. Following his resignation as a Councillor at the start of 2015, there was now a vacancy on the Trust Board for the remainder of the 2014/15 municipal year.

Political Group Leaders had been notified, and nominations had been received for Councillor E.C. Carter, Councillor G.M. Green and Councillor C.F. Smith. Cabinet then voted on the nominations, and it was:

RESOLVED – that Councillor C.F. Smith be appointed as the Council’s representative on the Wrekin Housing Trust for the remainder of the 2014/15 municipal year.

CB-88 EXCLUSION OF PUBLIC AND PRESS

RESOLVED – that the public and press be excluded from the meeting for the following item of business on the grounds that it may involve the disclosure of exempt information relating to the financial or business affairs of any particular person (including the authority holding that information) as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Having declared an interest in the next item of business, Councillor S. Davies left the meeting room

CB-89 DAWLEY REGENERATION AND IMPROVEMENT WORKS

Non-Key Decision

Part Recommendation to Full Council in relation to decision (c) below not subject to Call-in

Councillor C.F. Smith, Cabinet Member: Housing, Development & Borough Towns, presented the report of the Assistant Director: Development, Business & Employment, which described a number of initiatives within Dawley focussed on supporting the prosperity of the local centre, and sought approval for the redistribution of capital receipts to support specific regeneration and improvement works.

The report detailed the regeneration proposals and the likely costs, which would be funded from the application of capital receipts identified in the report. The main proposal centred around the former Lord Hill Public House, whose condition had deteriorated considerably, and the adjacent land, which it was now proposed to bring forward for residential development.

Members welcomed the “unlocking” of a stalled site, and the consequent benefits for the local community. The Assistant Director added that there had been a public consultation event last week at which there had been strong support for the proposals.

RESOLVED -

- (a) that authority be delegated to the Assistant Director: Development, Business & Employment, in consultation with the Cabinet Member for Housing Development & Borough Towns, to undertake regeneration and improvement works as outlined within the report;**
- (b) That the virement of capital receipts generated from the disposal of the assets as outlined within the report be approved;**
- (c) To RECOMMEND to COUNCIL approval of prudential borrowing, funded from income from New Homes Bonus and Council Tax, to facilitate the virement of capital receipts as set out in the report, and approve the necessary amendments to the Capital programme and revenue budget strategy;**
- (d) That authority be delegated to the Assistant Director: Development, Business & Employment to enter into all necessary contracts for the various regeneration and improvement works as contained within the report;**
- (f) That authority be delegated to the Assistant Director: Law, Democracy and People Services to seal or sign any documents to give effect to the above.**

The meeting ended at 5.41 pm.

Signed for the purposes of the Decision Notices

Jonathan Eatough
Assistant Director: Law, Democracy & People Services
Date: 4 February 2015

Signed:

Date: