

BOROUGH OF TELFORD & WREKIN

Minutes of the Meeting of the Borough of Telford & Wrekin held on Thursday, 20 July 2017 at 6.00pm at The Place, Oakengates, Telford

Present:

Councillors J C Ashford, S Bentley, K T Blundell, M Boylan, A J Burford, S P Burrell, E J Carter, L D Carter, E A Clare, S Davies, N A Dugmore, A J Eade, A R H England, N A M England, R C Evans, I T W Fletcher, J A Francis, C A Furnival, E J Greenaway, K R Guy, R T Kiernan, A Lawrence, J Loveridge, N C Lowery, C N Mason, A D McClements, R Mehta, J C Minor, L A Murray, T J Nelson, R A Overton, J Pinter, S A W Reynolds, S J Reynolds (Mayor), H Rhodes, K S Sahota, P J Scott, J M Seymour, R J Sloan, C F Smith (Speaker), M J Smith, B D Tillotson, K T Tomlinson, W L Tomlinson, C R Turley, P R Watling and D G Wright

20. One Minute's Silence

The Mayor invited Members to observe a minute's silence in remembrance of those who lost their lives and those affected by tragic events at the London Bridge and Borough Market terrorist attacks on 3 June 2017, the Finsbury Park Mosque terrorist attack on 19 June 2017 and the London Grenfell Tower fire on 14 June 2017, and also in memory of former Councillor Sylvia Pritchard who had recently passed away.

21. Prayers

The Reverend Keith Osmund-Smith said prayers.

22. Apologies for Absence

Councillors V A Fletcher, M B Hosken, J Jones, A A Meredith and G C W Reynolds.

Councillors S L Barnes and G K Cook were also absent from the meeting.

23. Declarations of Interest

Councillors A J Burford and R J Sloan declared an interest in minute number 33(b), Notices of Motion, due to their membership of the Joint Health Overview & Scrutiny Committee and indicated that they would not take part in the debate.

24. Minutes of the Council

RESOLVED – that the minutes of the Annual Council and Special meetings held on 25 May 2017 be confirmed and signed by the Mayor.

25. Leader's Report & Announcements

Councillor S Davies, Leader of the Council, welcomed all guests and councillors to the meeting. He referred to recent terrorist related incidents in London and Manchester, expressing his condolences to families and victims. Councillor Davies

noted the re-election of Lucy Allan MP and Mark Pritchard MP at the recent General Election and expressed his desire to work more closely with both MPs to be benefit of the borough.

Cllr Davies went on to note that 10K people had attended the recent Carnival of Giants which had also seen the launch of the Telford @ 50 campaign. He welcomed pledges of support for the campaign from Telford Shopping Centre and Denso and advised that local residents would be asked for their views on ways to provide a lasting and tangible legacy of the anniversary.

The Leader updated the meeting on the three main priorities he had identified 12 months ago, in particular noting the PRH4Me campaign and continued concerns about the provision of Accident and Emergency Services in Telford, the generation of income and securing of grant funding through the creation and safeguarding of jobs through the Growth Fund and Land Deal, the success of NuPlace, and the completion of the Building Schools for the Future Programme which had seen the building of eight new schools and the refurbishment or remodelling of a further six.

Councillor A J Eade, Leader of the Conservative group, also paid tribute to victims of recent terrorist attacks and congratulated Lucy Allan MP and Mark Pritchard MP on their re-election. He commented on building working relationships, funding for the Telford @ 50 campaign, the operation of the PRH4Me campaign, campaigning for Fair Funding, Telford Land Deal, and planning for school places.

Councillor W L Tomlinson also expressed condolences to the victims of recent terrorist attacks and his hope that the perpetrators would be brought justice. He commented upon maintaining the safety of the most vulnerable in society, and referenced continued national financial struggles regarding adult social care and children and young people. He welcomed investment in the borough, concern regarding the future of the Princess Royal Hospital and urged the Council to set aside differences work together towards the common good.

In response, the Leader, welcomed commitments from both Leaders to work together. He acknowledged cross-party working, the different approaches of the different parties and he appealed for voting on local initiatives and strategies which would benefit the borough to reflect the physical presence at subsequent events.

26. Mayor's Announcements and Time to Change Pledge

The Mayor commented upon the engagements he had attended since the Annual General Meeting, particularly highlight a memorable visit to the Telford Fire Station Open Day when he had taken the place of a crash test dummy for a demonstration. He advised that he was working closely with his chosen charity for the year, Severn Hospice, and welcomed donations.

Time to Change Pledge

The Mayor also reported that he had overseen the signing of the 'Time to Change Pledge' that afternoon and, with the leave of the Speaker, he welcomed Cllr Rae Evans, Cabinet Member for Customer Services, Tourism and Partnerships, to address the meeting. Cllr Evans explained that this was a national campaign which

aimed to raise awareness of mental health. She added that one of the current administration's manifesto commitments was to sign the employer pledge and well-being was key to the Council's workforce strategy around 'healthy organisation'.

27. Public Questions

The following questions from the public had been received.

- (i) The following question to Cllr L D Carter, Cabinet Member: Finance, Commercial Services & Economic Development was submitted by Mr D Lovegrove:

"It is easy to spend someone else's money. If landlords and their tenants are disproportionately responsible for ASB etc, and the Council can prove that fact, would the Authority compulsory purchase properties at market value and manage them more successfully, without increasing rent as introducing retrospective legislation is unjust?"

Cllr L D Carter, Cabinet Member: Finance, Commercial Services & Economic Development responded that he believed the rationale for raising this question was a result of the Council's recent launch of the selective licensing consultation which was due to end on 21 August.

Whilst Cabinet acknowledged that many private sector landlords provided decent well managed and well maintained accommodation, which did not cause any problems for the local community, there were properties that were poorly managed and maintained, suffered from overcrowding and on occasions were unsafe. Despite the council using our enforcement powers and providing guidance to local private sector landlords there were areas in the borough where these problems still existed.

Cabinet believed that Selective Licensing might be a tool that would help to address these challenges, and cross-party support from Scrutiny had been obtained prior to making a decision to consult. The consultation would take account of all comments received.

In relation to the question about compulsory purchase powers, these were provided to enable acquiring authorities to compulsorily purchase land to carry out a function which Parliament had decided was in the public interest. Compulsory purchase was a power that was intended to be used as a last resort and a compelling case that it was in the public interest was required. It would therefore not be appropriate to use compulsory purchase powers when there were other appropriate powers available to the Council to deal with the specific issues such as the introduction of a selective licensing scheme, Interim Management Orders and rent repayment orders. Additionally, anyone who had land acquired under a compulsory purchase order was generally entitled to compensation and the costs associated with the process, which may require a public inquiry, were extremely high.

In conclusion, Councillor Carter offered assurances that the Council would listen to comments received through the consultation and work with all parties to reach a good outcome for all, and would take time to do so.

- (ii) The following question to Cllr L D Carter, Cabinet Member: Finance, Commercial Services & Economic Development was submitted by Mrs T Wood:

“Regarding the council owned solar farm, online documents indicate that the original debt of around 4 million remains outstanding at the end of the project term. Can you confirm when, how and over what period of time this debt will be repaid and direct me to where this is evidenced?”

Cllr L D Carter, Cabinet Member: Finance, Commercial Services & Economic Development responded that the Council was a large and complex organisation delivering many different services. As well as a substantial revenue budget the Council also had a significant capital programme each year – for the current year this was in excess of £100m.

The Council got best value by managing its investment and borrowing decisions (or treasury management decisions) on a global basis rather than taking a piecemeal approach.

The Council did not, therefore, take out separate loans for each of its many different capital projects which quite often each spanned several years. Clearly by combining treasury management arrangements better value for taxpayers could be obtained as larger deals were placed in the money markets and admin costs were reduced.

The Council had to comply with all local government accounting requirements and each year an extensive external audit checked for full compliance. Councillor Carter reassured Members that a “clean” audit opinion was consistently achieved for sound financial management arrangements.

There was not, therefore, a separate loan for the solar farm. Detailed accounting records for capital projects was maintained and there was a Minimum Revenue Provision (MRP) policy which was set by full Council each year as part of the budget setting process in March. The MRP policy determined how quickly the principal on capital projects was written down.

Whilst Councillor Carter was unclear which “online documents” Mrs Wood referred to he considered there may be confusion around a table which appeared on page 188 of the Council’s service and financial planning strategy report considered by Council on 2 March 2017. The table showed the total cumulative spend incurred on various commercial schemes. The figure shown against the solar farm in the table remained constant because the project had been completed and no further spend was being incurred. The table showed the total cost of the solar farm and other projects and in no way referred to the amount of loan outstanding.

The borrowing incurred to fund the Solar Farm would be repaid over a 25 year period on an annuity basis in accordance with the Council's MRP policy which was available on pages 203 and 204 of the service and financial planning strategy report referred to above.

On this basis, as at 31 March 2017, £3.607m remained outstanding which would reduce to £3.508m as at 31 March 2018, and would be fully repaid by the end of the 2039/40 financial year.

The solar farm would make a revenue surplus of over £200,000 in the current year net of all costs and represented a sound investment for local people as the surplus was used to reduce the impact of the cuts being made to the Council's Government grant.

- (iii) The following question to Cllr L D Carter, Cabinet Member: Finance, Commercial Services & Economic Development was submitted by Ms S Whitfield:

“Given that the only housing the Council owns is almost exclusively for commercial rent and Social Registered Landlords are selling their out of date stock, why is the Council seeking to discriminate against private landlords on whom you so very heavily rely to manage homelessness in the Borough?”

A petition in support of the question was presented to The Mayor.

Cllr L D Carter, Cabinet Member: Finance, Commercial Services & Economic Development responded that he believed this question also had origins in the launch of the selective licensing scheme consultation. He re-iterated that the Council was not seeking to discriminate against private landlords and acknowledged that they housed many of homeless clients.

The Council was committed to working closely with private sector landlords and Councillor Carter was aware that a number of meetings had been held between senior officers within the Council and the Wrekin Landlords Association since the consultation had launched and that dialogue continued.

He believed the New Homeless Reduction Act would bring in other elements to help clients facing homelessness and help address current issues faced by landlords where historically tenants were not classed as homeless until they had a court eviction date. The new legislation would enable us to work with clients sooner to help remove the burden on landlords having to always go through court. National legislation had recognised, as did this Council, that landlords had an important part to play in the housing market.

28. Cabinet Decisions Made Since the Last Meeting of the Council

Members received the report on the Cabinet decisions made since the last meeting of the Council.

Selective Licensing

Councillor Bentley asked for clarification as to why the introduction of the Landlord's levy was limited to selected areas and why it did not include all private landlords?

Councillor L D Carter responded that the consultation had been embarked upon following cross-party support from Scrutiny. The reasons why identified areas were selected was subject to evidence based criteria as set out in the consultation document.

Councillor J M Seymour noted that at paragraph 1.6 of the Cabinet report on Selective Licensing reference was made to the support of Customer Community & Partnership Scrutiny Committee, which was also referenced in the Annual Scrutiny. Councillor Seymour believed the meeting had been an informal verbal briefing with no record of comments made and asked for the reference to be removed and for Scrutiny to be allowed to carry out an in-depth review in light of information brought forward from other parties.

Councillor L D Carter responded that the meeting was minuted and when the report was made to Cabinet, the Conservative Group Leader had made no contrary comments. It would be up to Scrutiny to decide whether to scrutinise the proposal further once the consultation was complete. He reiterated that this was a genuine consultation seeking views from all parties.

Councillor A J Eade asked for an update on the potential effect Selective Licensing would have on homelessness in the borough and what forecasts had been prepared to ascertain the scale of any problem?

Councillor L D Carter responded that all aspects of Selective Licensing and its impacts had been taken into consideration as well as all information provided through the consultation. He repeated that this was a genuine consultation and he wanted many people, including Members, to engage with it. Fundamentally, he believed all parties agreed that there should not be negative impacts from the proposals, but equally something needed to be done to improve accommodation in the Private Rented Sector.

Councillor N C Lowery sought clarification of the extent to which the Council had used existing powers in terms of imposing civil penalties and what evidence had been acquired to attribute poorly managed properties in the private rented sector to warrant the introduction of Selective Licensing.

Councillor L D Carter referred to previous responses.

Councillor A J Eade sought clarification that the Council had existing powers which could be used in place of introducing this scheme – as he believed they had not be used for five years and the scheme was being introduced to finance enforcement?

Councillor L D Carter stated that it was incorrect to claim that the Council had not used its enforcement powers for five years. The notion that this was a money making scheme was also incorrect. The proposals were based on an ambition to drive up standards in the poorest parts of the private rented sector as poor housing

was one of the reasons that people accessed the most expensive Council services. Again, he urged Members to engage in the consultation.

Councillor W L Tomlinson asked what provisions were in place for the views of the tenants to be taken into account in order to ensure a balanced response to the consultation?

Councillor L D Carter referred to the wide ranging consultation, with events taking place in the communities affected if the proposals were implemented. The views of residents was as important as that of landlords, particularly those who had experienced problems. The proposals did not seek to pit parties against each other but sought to address the issues of 'bad' landlords and in some ways 'bad' tenants.

Telford Land Deal

Councillor E J Carter stated in the past when he had touched on the work done by the Conservative administration towards this project, it had been met with derision. However, he had an agenda from a meeting which took place on 2 August 2010 and at that point there was an item on Central Telford Area Action Plan which quoted himself remarking that he had recently met with Paul Spooner of the HCA who had indicated a willingness to transfer all HCA land to the Council. Was that understood and accepted by the administration?

Councillor S Davies welcomed Councillor Carter's contribution in 2010. However, the land deal had only been in place for a year and it was also noted that the Council's investment in the deal had been voted against by the Conservative group.

Procurement Update

Councillor N A Dugmore referred to page 46 of the report and asked for justification for why was £280K was taken from the Health and Wellbeing budget to pay for Telford's 50th anniversary celebration events.

Councillor L D Carter said that this was fundamentally untrue. He referenced significant cuts from central government upon the public health budget.

Investing in Telford at 50

Councillor R Mehta asked for confirmation as to whether Horsehay Railway Trust could express an interest in the Telford @ 50 fund and also whether this was the correct year for 50th birthday celebrations?

Councillor S Davies stated that Horsehay Railway Trust could make an expression of interest and details of how to do this would be publicised in the following week. Councillor Davies confirmed that he had double checked the year was correct by referencing Council magazine archives from the 40th birthday year.

Developing an Online Local Authority Lottery

Councillor I T W Fletcher asked whether levels of deprivation would be increased by encouraging gambling?

Councillor L D Carter stated that the principles and aims of the lottery were clearly set out in the report; the aim was to support smaller organisations who did a lot in the community and would most likely have to do more as cuts took effect. Section 11 of the report set out an impact assessment in the terms of the potential for increasing gambling and this seemed to indicate that the answer was no.

Finalisation and Closure of the Building Schools for the Future (BSF) Programme

Councillor N A M England, who was governor of Grange Park Primary School, thanked Officers, particularly Jim Collins, for creating the BSF programme in Telford which had led to the building of Grange Park Primary School. He asked for an explanation of the benefits to Nedge Ward following the project.

Councillor P R Watling stated that he was very proud of the BSF programme. He referenced a meeting he had at Grange Park following his appointment as Lead Member for Children & Young People with parents angry that their children were being schooled in demountable classrooms. 400 Children were now being educated in new buildings as a result of the administrations changes to the BSF programme. He was proud that there was an excess of secondary school places in the borough due to the BSF programme. Prior to the current administration's intervention, two of the schools would have been under threat of closure but instead a school had been built in Priorslee and Charlton School rebuilt in Wellington. .

Young High Street Challenge

Councillor S Bentley referred to a serious incident which had occurred outside Crudgington Primary School. He asked if the Leader would commit £100K from the Pride Fund for safety measures outside Crudgington Primary School rather than Councillor Bentley having to make a bid for funding.

Councillor S Davies stated he would ensure that the issue was investigated by appropriate Officers with the relevant Cabinet Member.

29. Recommendations from Cabinet

Cabinet – 29 June 2017

(i) Service & Financial Planning Report – 2016/17 Outturn and 2017/18 Update

Councillor L D Carter, Cabinet Member: Finance, Commercial Services & Economic Development, presented the report of the Assistant Director: Finance & HR.

RESOLVED that –

- (a) the Revenue outturn position for 2016/17 and related virements in Appendix 3 of the report, which is subject to audit by the Council's external auditors, be approved;**
- (b) the transfers to reserves and associated approval to spend the reserves as detailed in the report at section 5 and Appendix 2 be approved;**

- (c) the supplementary revenue estimate in relation to the additional Adult Social Care Grant announced after the Council's budget was set detailed in paragraph 9.1 of the report be approved;
- (d) the Capital outturn position and related supplementary estimates, re-phasing and virements shown in Appendix 4 to the report and as summarised in the report be approved;
- (e) the performance against income targets be noted; and
- (f) the key issues identified for 2017/18 be noted;

30. Annual Scrutiny Report

Councillor N A M England, Chair of the Scrutiny Management Board, presented the Annual Scrutiny Report for noting.

He thanked Councillor S A W Reynolds, who had been lead Scrutiny Member for a number of years for her contribution prior to her appointment to the Cabinet.

Councillor England noted the high profile work of the Joint Health Overview and Scrutiny Committee regarding the future of hospital provision in Telford and Wrekin and Shropshire and of the continued monitoring by the Children and Young People Scrutiny Committee regarding the multi-agency response to Child Sexual Exploitation. Whilst these were significant areas of work, Scrutiny's remit was wide-ranging and report set out the highlights of each Committee's work programme during the year. Councillor England noted Scrutiny Members were not experts in the areas under scrutiny and thanks Officers, service users and other parties for their valuable contributions which had informed Scrutiny's work. He also expressed thanks to former Scrutiny Team Members, Fiona Bottrill and Stephanie Jones, who had recently left the authority.

31. Recommendations from Boards and Committee

Audit Committee

Corporate Anti Fraud & Corruption Policy – 2016/17 Annual Report and Policy Update

RESOLVED – that the updated Corporate Anti Fraud & Corruption Policy be adopted

32. Questions

The following questions were asked under Council Procedure Rule 6.2.2:-

- (i) Councillor P J Scott asked the following question of Councillor R A Overton, Cabinet Member for Housing and Enforcement

"The areas in and around Newport are regularly being visited by unlicensed scrap dealers who trawl the town looking for easy hits on scrap. Some are going further and taking other items that are not put out for scrap therefore causing some distress to local residents. Locally we do inform the Licensing team and the police as incidents happen. What more can the council do to help us rid the town of these unlicensed dealers and are there any plans for further enforcement to help combat it?"

Councillor Overton responded that Scrap Metal Collectors were governed by the Scrap Metal Dealers Act 2013 and all traders who collected scrap required a Scrap Metal Collector Licence.

Between October 2013 to October 2016, the Council licensed 30 Scrap Metal Collectors.

Since October 2016, despite making contact with the traders, only 16 Scrap Metal Collectors had renewed their licence.

Since February 2017, the Licensing Service had received a number of calls from one particular licensed scrap metal trader. He had complained that the area of Newport had been targeted by a number of unlicensed traders. Licensed traders had been asked to help the Licensing Team by taking a note of the vehicle and registration numbers, together with the location and dates & times of when the vehicle was seen.

The Licensing Team have had meetings with West Mercia Police to update Police Officers regarding the Scrap Metal Dealers Act so that we can work together to address this problem. They have been fully briefed on what to do in the case of witnessing an unlicensed scrap metal dealer.

In June 2017, as a result of intelligence provided, the owner of one vehicle was stopped by West Mercia Police. The driver was cautioned and then arrested for failing to produce a valid Scrap Metal Collectors Licence and the Licensing Service were undertaking prosecution proceedings.

On 4 July 2017, despite being cautioned and arrested, the owner of the same vehicle again appeared within the area of Newport and clearly this matter was extremely frustrating as neither the police or the Council had the power to actually seize the vehicle - our powers allowed for the individual to be prosecuted and that is exactly what was being done.

The Licensing Service was also making contact with all the legitimate collectors allowed to operate in the Borough, to seek their permission to add their details to our website, in an attempt to encourage members of the public to only use bona-fide licensed collectors

Councillor Scott noted that Local Police had suggested that Licensed Collectors could be badged in a similar way to taxi drivers and he asked whether this could be considered for implementation?

Councillor Overton replied that a press campaign had taken recently place entitled 'Let's See your Badge!' which all licenced scrap metal dealers had to display to

inform the public of the problem. The Council was also encouraging the public and Town and Parish Councils to be vigilant and report any unlicensed traders to the council. Further social media campaigns would take place to raise awareness and to ask for the public's support.

It was recognised that Newport was being routinely targeted. The Licensing Service and this Council were doing everything possible to address this matter. With a forthcoming enforcement exercise planned, and with an effective social media campaign it was hoped to successfully address concerns.

Further consideration would be given to badging Licensed Collectors.

(ii) Councillor S Bentley asked the following question of Councillor S Davies, Leader

“Is the leader in a position to provide the chamber, with details or actions he has implemented following the obviously preventable Grenfell Tower fire tragedy with

- (a) Confirmation that this authority has no buildings either owned or leased, which are encased with inferior or non-retardant fire materials.
- (b) Begun a process to engage with private owners, social landlords, developers to eliminate the possibility or risks to safety, substandard materials pose.
- (c) Agree to a cross party, independent scrutiny group to formulate a planning policy that can be incorporated into the new development plan which ensures developers will be expected to deliver the most stringent requirements of safety incorporated into any application for development above a height of six storeys.“

Councillor Davies responded that recent horrific incidents including the Grenfell fire and terrorist attacks in Manchester and London had quite rightly resulted in an emergency review of service provision and lessons learnt from these incidents had already been incorporated into this review.

- (a) All Council-owned buildings, including schools, had been checked for cladding issues and fire risk assessments had been reviewed, and regular contact with the Fire and Rescue Service had been made.

Central Government required Councils to supply details of any buildings owned and used for educational or residential purposes of four storeys or more: Councillor Davies confirmed that this Council did not have any that fell into this category.

None of the Council's buildings had been over clad.

The Government Property Unit were overseeing checks in relation to the use of Aluminum Composite Material (ACM) across priority buildings within the public sector such as schools and hospitals – however, the Council did not have any buildings of concern.

In addition, Building Control Officers had examined all residential buildings within the Borough over 18metres in height. There were four residential

buildings within this category, three of which were owned by Wrekin Housing Trust and the fourth in private ownership. None of these properties were clad with this material.

General support and guidance had also been provided to schools, and council core buildings regarding Fire Safety and Fire Risk Assessments.

- (b) The Council had been in contact with all social landlords in the Borough to ensure they had provided all the necessary risk assessment information to the Government around cladding risks. The Council was not aware that there were any concerns.

The Council was also in the process of communicating with licensed Houses in Multiple Occupation (HMOs), licensed premises and residential care homes reminding them of their duty under the Regulatory Reform Order and the Housing Act 2004.

In addition, the Council had been working with the Shropshire Fire and Rescue Service over advice and guidance around fire safety within Tower Blocks within the Borough.

The unfortunate tragedy in London was subject to a public inquiry and the Council Building Control Team would comply with any recommendations that arose from this.

All new buildings and improvements were subject to Building Control Regulations which were set nationally and the Council were not able to vary these on a local basis. The Council Building Control Team had already engaged with social housing providers to ensure that they had received the Government guidance and advice to carry out fire risk assessments and ensure tenant fire briefings were current and to identify if any buildings contain aluminium composite material cladding.

- (c) Technically requirements of safety fell within the remit of Building Regulations which were not enforceable through either development plan policies or conditions. However with reference to the answers to questions (a) and (b), the Council was being proactive in its engagement with social landlords. Private owners and developers would, during the development process, need to comply with the building control regulations which would draw attention to any risks to safety or substandard materials

Councillor Bentley reiterated his request for a cross party, independent scrutiny group as set out above.

Councillor Davies repeated that developers were required to comply with Building Regulations which were not enforceable through either development plan policies or conditions and, if the Council attempted to vary these requirements, developers could mount a challenge through Judicial Review. The Local Government Association had issued a cross-party report on the issue of relaxation of regulations and lack of enforcement. The call for a Scrutiny Review was noted and, in light of

his comments above, Councillor Davies considered that Scrutiny should make its own decision as to whether to include this in the work programme.

- (iii) Councillor A J Eade asked the following question of Councillor R A Overton, Cabinet Member for Housing and Enforcement

“Would Councillor Overton clarify the status of sites H1 and H13 in the Local Plan now that the Inspector has recommended their removal from the Council’s Local Plan?”

Councillor Overton responded that the examination of the Local Plan included discussions on the proposed housing site allocations. Following those discussions, the Planning Inspector (Mr Michael Hetherington) suggested to the Council that a number of sites be removed from the list of allocations. This specifically covered those sites without planning permission, of which sites H1 and H13 were included. However, it was important to note that in issuing his advice, the Inspector had not made any announcement or comment on the merits, or otherwise, of any of the sites for housing development.

If, in due course, when the Local Plan was adopted and sites H1 and H13, along with certain other sites, had been removed from the list of housing site allocations, these sites would not be specifically allocated for housing use in the Telford & Wrekin Local Plan. Consequently, all the sites removed would simply revert to being ‘un-designated’ land.

Councillor Eade asked whether if the land was not designated, would Councillor Overton consider protecting the land in perpetuity by including the land in the green guarantee?

Councillor Overton stated that the land would be classed as White Land and in his opinion the land should not be included in the green guarantee.

33. Notices of Motion

- (i) The Motion proposed at agenda item 13(i) was withdrawn by Councillor A J Eade with the agreement of Councillor N A Dugmore (seconder).
- (ii) To accommodate public interest, this Motion was considered out of order on the agenda prior to minute number 28.

Councillor C F Smith moved, in accordance with Council Procedure Rule 7, the following Motion:

“This Council notes with grave concern that the Shrewsbury and Telford Hospital NHS Trust (SaTH) are considering the overnight closure of the Princess Royal Hospital (PRH) 24/7 Accident and Emergency Service (A&E) potentially from September 2017. We feel that this is yet again another attack on vital services provided at the PRH and appears inconsistent with previously made clinical arguments, including the location of the Women & Children’s Centre on the same site as the 24/7 A&E Unit.

As a result of this new development and previous attempts to move crucial services away from PRH, this Council no longer has confidence in SaTH's Management Board to deliver safe and sustainable health services.

This Council further calls for health provision to be configured in such a way at the Princess Royal Hospital as to attract the required number and quality of Consultants to facilitate the delivery of a safe and sustainable service.

As our local health services have now reached a crisis point, this Council calls upon the Secretary of State for Health to immediately intervene in this increasingly worrying situation.”

Neil Nisbet, SaTH's Finance Director and Acting Chief Executive was invited to address the motion. He read from a written statement which had previously been circulated to Members.

The Leader addressed the meeting, thanking Mr Nisbet for his attendance and noting that this issue was not about NHS Staff, but in his opinion the crisis which SaTH found itself in. He disagreed with SaTH's premise that a trauma unit could not be located at the PRH, considered the potential overnight closure to be disingenuous, pointed to building of the £28m Women's and Children's Unit in Telford due to clinical need, and doctors' preferences around where A&E should be. He urged a change among Senior Managers at SaTH and intervention from the Secretary of State and the Care Quality Commission. He concluded that NHS staff and local residents needed better and urged SaTH to listen to the views of the Council, local MPs and residents.

Councillor A J Eade welcomed the statement from Mr Nisbet but noted that residents deserved the best service to meet their ongoing needs. He pointed out that the situation described by SaTH had been ongoing for several years and he, therefore, questioned what SaTH had been doing to configure and safeguard services during that time. He questioned how local people could have confidence in SaTH based on their track record of lacking action and lamented proposals to shut A&E overnight.

Councillor W L Tomlinson echoed the sentiments above and considered that there was no coherent plan to deal with the issues being raised and a tipping point had now been reached when SaTH was no longer able to look after the best interests of local people and intervention was required.

Members engaged in a robust debate which included comments regarding the length of time that SaTH had been aware of the issues which could lead to potential overnight closures of A&E at the PRH, that SaTH's actions did not align with its vision statement and criticism of the configuration of services which had led to difficulties in recruitment. Issues were raised during the debate which related to the Future Fit programme but it was made clear by the Speaker that the motion was a separate issue about confidence in SaTH.

Councillor C F Smith concluded the debate by urging the Secretary of State to intervene. A vote was taken on the motion put forward by Councillor Davies which was CARRIED. In accordance with Committee Procedure Rule 9.5, a recorded vote on the motion was taken, the voting being as follows:

For: 45

Councillors J C Ashford, S Bentley, K T Blundell, M Boylan, A J Burford, S P Burrell, E J Carter, L D Carter, E A Clare, S Davies, N A Dugmore, A J Eade, A R H England, N A M England, R C Evans, I T W Fletcher, J A Francis, C A Furnival, E J Greenaway, K R Guy, R T Kiernan, A Lawrence, J Loveridge, N C Lowery, C N Mason, A D McClements, R Mehta, J C Minor, L A Murray, T J Nelson, R A Overton, J Pinter, S A W Reynolds, S J Reynolds, H Rhodes, K S Sahota, P J Scott, J M Seymour, R J Sloan, C F Smith, M J Smith, B D Tillotson, K T Tomlinson, W L Tomlinson, C R Turley, P R Watling and D G Wright

Against: 0

Abstentions: 2

Councillors A J Burford and R J Sloan

RESOLVED - that the motion be approved

The meeting ended at 8.42pm

Mayor:

Date:

MAYORAL ENGAGEMENTS
10 July 2017 – 10 September 2017

July

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| 14 | M | Interserve Learning & Employment Employability Day at Gosvenor House, Hollinswood Road, Central Park, Telford |
| | M | Newdale Primary School Celebration at Newdale Primary School & Nursery, Marlborough Way, Telford |
| 15 | M | Taichi Inter-Fest 2017 at Wenlock Hall, Lilleshall National Sports Centre, Lilleshall |
| | M | Official Telford 50 Logo Launch at Carnival of Giants, Telford Town Park |
| | M | Ironbridge Gorge Brass Band Festival at the Museum of Iron, Coalbrookdale |
| 16 | M | Telford & Wrekin Mayor's Civic Service at Holy Trinity Wrockwardine Wood, Telford |
| 18 | M | Severn Teaching School End of Year Celebration at Park Lane Centre, Woodside |
| | DM | 11 th Signal & West Midlands Brigade Reception at Venning Barracks, Donnington |
| 19 | M | Citizenship Ceremony at the Register Office, Wellington Civic & Leisure Centre, Telford |
| 20 | M | Visit to Denso Manufacturing UK Ltd at Queenswood Campus, Hortonwood, Telford |
| | M | Visit to Lawley Primary School at Arleston Lane, Telford |
| 21 | M | Adams Grammar Speech Day at Adams Grammar School, Newport |
| 22 | M | Arleston Community Day at Arleston Community Centre, Telford |

- DM** Top Hat School Production at Telford Park School, Grange Avenue, Stirchley
- M** Royal Shrewsbury Hospital Fun Day at RSH, Mytton Oak Road, Shrewsbury
- 25 M** Telford & Wrekin Parkinson's Support Group Queen's Award Presentation at Hadley Park House Hotel, Telford
- 30 M** Telford Archers Heritage Shoot at Allscott Cricket Club, Shawbirch Road, Allscott
- August**
- 4 M** Skills & Enterprise Hub Summer Fayre at The Bridges Business Park, Horsehay
- M** Satellite Group of the Ironbridge Rotary Club Charity Fest at Enginuity, Coalbrookdale
- 5 M** Mayor's Charity Gig at The Haygate, Wellington
- 7 M** PODS Annual Picnic in the Park at Admaston House Community Centre, Wellington Road, Telford
- 8 M** Lord Michael Bates Visit at Chinese Arts & Culture Centre, Stafford Park, Telford
- 11 DM** Shropshire Society in London Afternoon Tea at The Quarry, Shrewsbury
- 16 DM** Citizenship Ceremony at the Register Office, Wellington Civic & Leisure Centre, Telford
- 20 M** Ironbridge Meadows & Pastures Wildlife Reserve Pool Opening at Beeches Wildlife Reserve, Orchard Lane, Ironbridge
- 21 M** Telford Samaritans AGM at King Street, Wellington
- 25 DM** Jagjit Arts The Rainmaker Performance at Kings Place, London
- 27 M** Wellington Amateurs Charity Football Match at Hadley Learning Community, Waterloo Road, Hadley

September

- | | | |
|-----------|----------|--|
| 1 | M | Institution & Commissioning Service of Rev'd Andy Ackroyd at St Peters Church, Wrockwardine, Telford |
| 2 | M | Telford Armed Forces Veterans Breakfast Club at The Brewery Inn, Coalport |
| 5 | M | 2017 Panto Official Press Launch at Telford Town Park |
| 6 | M | TACT Recovery Conference at The Place, Oakengates Theatre |
| 7 | M | RAF Shawbury Autumn Reception at RAF Shawbury, Shrewsbury |
| 10 | M | Telford Interfaith Event at The Telford Whitehouse Hotel, Watling Street, Wellington |

TELFORD & WREKIN COUNCIL**COUNCIL – 21 SEPTEMBER 2017****MATTERS DETERMINED BY THE CABINET****REPORT OF CABINET – FOR INFORMATION ONLY****1.0 INTRODUCTION**

This report sets out those matters determined by the Cabinet at its meeting on 14 September (subject to approval).

2.0 CABINET BUSINESS

Matters that have been determined by Cabinet are listed below:

2.1 14 September 2017 (subject to approval)

- K 2.1.1 Locally Administered Temporary Business Rates Relief Scheme
- K 2.1.2 Better Care Fund Update Report
- K C 2.1.3 West Mercia Youth Justice Plan 2017/18 (To be received by Council on 23 November 2017)
- K 2.1.4 West Mercia Fire and Rescue Governance Proposals
- K 2.1.5 Telford & Wrekin Cycling and Walking Strategy

Key

K	= Key Decisions
NK	= Non-Key Decisions
E	= Exempt Items
PE	= Part Exempt Item
C	= Council
PC	= Part Recommendation to Council

3.0 DELEGATION OF POWERS GRANTED BY THE CABINET

REPORT HEADING	DELEGATION GRANTED TO	DETAIL OF DELEGATION GRANTED
Locally Administered Temporary Business Rates Relief Scheme	Assistant Director: Finance & HR	To administer any future new reliefs which are fully funded by the Government and introduced under the Council's discretionary powers.
LEGAL COMMENT FINANCIAL COMMENT LINKS WITH	As described in each report considered by Cabinet. Copies of all reports have been previously circulated to all Members of the Council.	

CORPORATE PRIORITIES RISKS AND OPPORTUNITIES ENVIRONMENTAL IMPACT EQUALITY & DIVERSITY WARD IMPLICATIONS	
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TELFORD & WREKIN COUNCIL

COUNCIL – 21 SEPTEMBER 2017

2017/18 FINANCIAL MANAGEMENT REPORT

REPORT OF THE ASSISTANT DIRECTOR: FINANCE & HR (CHIEF FINANCIAL OFFICER)

LEAD CABINET MEMBER: CLLR LEE CARTER

PART A) – SUMMARY REPORT

1.0 SUMMARY OF KEY ISSUES

1.1 The Financial Management report to Cabinet on 13 July provided an update on progress relating to the capital programme. The report also highlighted some new capital allocations, virements and slippage which require formal approval by Full Council.

1.2 SUMMARY

The Detailed approvals required by Council are:

	2017/18 £	2018/19 £	2019/20 £	Later Years £	Funding
Virements					
Education & Corporate Parenting					
Service Transformation - ITS	-200,000.00				Prudential
Early Help & Support					
Children's & Adults ICT System	+678,417.62				Prudential
Commercial Services					
ICT/eGov	-478,417.62				Prudential
Total	0.00				
Slippage					
Development, Business & Employment					
Housing Company – Housing	-3,000,000	+3,000,000			Prudential
Early Help & Support					
Children's & Adults ICT System	-448,878	+448,878			Prudential
Finance & HR					
Finance Fees	-75,000	+25,000	+25,000	+25,000	Prudential
Total	-3,523,878	+3,473,878	+25,000	+25,000	
New Allocations					
Education & Corporate Parenting					
All Other School Schemes	254,380				Grant
Development, Business & Employment					
Superfast Broadband Programme	157,000				Grant
Customer & Neighbourhood					
Highways & Bridges Capital Mtce	466,000				Grant
Total	877,380				

2.0	<u>RECOMMENDATION</u>
2.1	Members are asked to approve the changes to the capital programme in section 1 above.

3.0 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Delivery of all priority objectives depend on the effective use of available resources.
	Will the proposals impact on specific groups of people?	
	No	
TARGET COMPLETION/DELIVERY DATE	The capital programme will be immediately updated to reflect the new approvals.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	Financial impacts arising from this report will be reflected in future financial management reports and built into the service and financial planning strategy for 2018/19 and beyond
LEGAL ISSUES	No	None directly arising from this report. The S151 Officer has a statutory duty to monitor income and expenditure and take action if overspends /shortfalls emerge.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	
IMPACT ON SPECIFIC WARDS	No	Borough Wide

4.0 PREVIOUS MINUTES

Council 02/03/2017 – Service & Financial Planning 2017/18 to 2019/20
Cabinet 13/07/17 – 2017/18 Financial Management Report

PART B) – ADDITIONAL INFORMATION

There is no additional information.

5.0 BACKGROUND PAPERS

2017/18 Budget Strategy / Financial Ledger reports

Report Prepared by:

Ken Clarke, Assistant Director: Finance & HR (C.F.O.) – 01952 383100; Pauline Harris, Finance Manager – 01952 383701

TELFORD & WREKIN COUNCIL**CABINET - 13 JULY 2017
COUNCIL - 21 SEPTEMBER 2017****TELFORD LAND DEAL****REPORT OF ASSISTANT DIRECTOR: BUSINESS, DEVELOPMENT & EMPLOYMENT****LEAD MEMBERS - CLLR SHAUN DAVIES AND CLLR LEE CARTER****PART A – SUMMARY REPORT****1. SUMMARY OF MAIN PROPOSALS**

- 1.1 Over the past 12 months the Borough has seen unprecedented investment into both commercial and residential development. Driven by initiatives including the £50m Growth Fund, the subject of a twin report to Cabinet, and the Telford Land Deal the new developments, a number of which are close to completion and delivering new, local job opportunities – are a key part of the Council’s commitment to ‘creating a better Borough’.
- 1.2 The Council entered into the Telford Land Deal with the HCA in March 2016 and is set to see £44.5m of land receipts from the sale of agreed Homes & Communities Agency (HCA) assets in Telford recycled back into the local area, supporting the delivery of new homes, jobs and commercial floor space.
- 1.3 Formally signed just over one year ago the Deal has already delivered gross land sales of c.£7.2m, 277 new homes and over 400 new jobs – many highly skilled – with construction work benefitting local companies and new investors set to stimulate further growth in the supply chain.
- 1.4 Over the next 12 months the Deal is set to deliver a further circa £17m of gross land sales, close to 600 jobs and over 300 new homes. In addition over the next 12 months investment through the Deal will support the delivery of a new Innovation Park in Newport providing opportunities for start ups and larger companies to invest and enabling the Borough to build on the opportunities in the Agri Technology sector – establishing its reputation as a national focus for this growth sector.
- 1.5 By the end of 17/18 it is also anticipated that the Deal will deliver c.£3m in local profit share – a cut of the profits from land sales which have been achieved above the HCA base land values. This will be the first time the local area has shared in such profits previously returned to the Treasury. The Report seeks approval to a delegated procedure for the determination of where and what the uplift monies generated are invested in.
- 1.6 The Report also confirms that agreement has been reached in respect of the transfer of the HCA liability sites (i.e. those that have no development value) which was a condition of the original Deal and seeks approval to how the capital balance of dowry monies received from HCA to support the maintenance of these sites, should be treated.

2 RECOMMENDATIONS

2.1 That Cabinet note the outcomes achieved since the Land Deal was completed as is set out in section 4 of this report.

2.2 That Cabinet delegate authority to the Assistant Director: Business, Development & Employment in consultation with the Assistant Director: Finance & Human Resources and the Cabinet Member for Council Finance, Commercial Services and Economic Development to consider the business case and determine the use of uplift monies, in line with the parameters set out in section 5 of this report.

2.3 That Cabinet delegate authority to the Assistant Director: Business, Development & Employment and Assistant Director – Neighbourhood & Customer Services to undertake the investments (as appropriate to the Service Area lead) following approval to the business case as set out in 2.2;

2.4 That Cabinet recommend to Full Council that delegated authority be given to the Assistant Director: Business, Development & Employment in consultation with Assistant Director: Finance & Human Resources and the Cabinet Member Council Finance, Commercial Services and Economic Development to consider the business case and determine the investment of the balance of the liability capital settlement as set out in section 6.2 of this report.

2.5 That Cabinet recommend to Full Council that delegated authority be given to the Assistant Director: Business, Development & Employment to undertake the investments following approval to the business case as set out in 2.4;

2.6 That Cabinet delegate authority to the Assistant Director: Legal, Procurement & Commissioning to seal or sign any documents required to give effect to the recommendations contained in this report.

3 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-operative Council priorities?	
	Yes	<ul style="list-style-type: none">• Protect and create jobs as part of a “business supporting, business wining council.”• Regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing• Ensure that neighbourhoods are safe, clean and well maintained
	Will the proposals impact on specific groups of people?	
	Yes	The investment delivered through the HCA Land Deal will have a positive impact across the Borough, helping to delivery new infrastructure, deliver new jobs and new homes, support businesses to grow and new investment which will support action to reduce unemployment, increase economic independence and address social inequality.

TARGET COMPLETION/ DELIVERY DATE	The use of profit share monies will occur during the 10 year Land Deal.							
FINANCIAL/ VALUE FOR MONEY IMPACT	Yes	<p>The original HCA Land Deal funding model set out the following in terms of the allocation of the Profit Share generated through the Land Deal:</p> <table border="1" data-bbox="563 454 1425 678"> <tr> <td data-bbox="563 454 994 495">Profit Share HCA</td> <td data-bbox="1002 454 1425 495">15%</td> </tr> <tr> <td data-bbox="563 499 994 539">Profit Share TWC</td> <td data-bbox="1002 499 1425 539">85%</td> </tr> <tr> <td data-bbox="563 566 994 656">Within 85% TWC Profit Share</td> <td data-bbox="1002 566 1425 656">First £2m earmarked for constrained sites 15% to the Marches LEP</td> </tr> </table> <p>Telford & Wrekin Councils proportion of the Profit Share (85%) over the 10 years was estimated at £19.3m – of which £2m was initially ring fenced to support the bringing forward of constrained sites owned by HCA and an estimated £2.6m will be payable to The Marches LEP Investment Fund over the 10 year programme as their 15% share of net uplift (15% of £17.3m) leaving TWC with a net fund of £14.7 million. The Investment and Disposal plan is continually reviewed with agreement of the Land Deal Board and work will be undertaken to keep updating the 10 year projections to take into account the agreed changes.</p> <p>Since the start of the Land Deal, Telford & Wrekin Council has spent some £9.4m into bringing forward sites for development. Over the first 3 years of the deal (until end of 2017/18) the total Profit Share is estimated to be £3m. The Land Deal Board has final authority to determine investment of both the TWC and Marches LEP Profit Share. This report is seeking delegated authority to formulate proposals for the Land Deal Board to consider, as detailed in Section 5. As set out in the report, the AD: Finance & HR will consider the business cases as they come forward. Further details of the criteria used in determine the use of uplift monies are included in section 5.</p> <p>The Land Deal also included the transfer of HCA liability sites to Telford & Wrekin Council and an agreement in relation to these has been reached. This includes a settlement for the transfer of the liability land held by HCA which is based upon a capital sum payable in two tranches to Telford & Wrekin Council amounting to £3m in total. In addition £1m is being taken from the constrained sites fund detailed above giving a total sum of £4m. There is a requirement to spend an initial £750k on sites with the balance of £3.25m to be held for ongoing maintenance and repair. Given the future revenue costs going forward as set out in section 6 below it is proposed to invest the balance figure in a property asset(s) which will provide an ongoing revenue income stream which</p>	Profit Share HCA	15%	Profit Share TWC	85%	Within 85% TWC Profit Share	First £2m earmarked for constrained sites 15% to the Marches LEP
Profit Share HCA	15%							
Profit Share TWC	85%							
Within 85% TWC Profit Share	First £2m earmarked for constrained sites 15% to the Marches LEP							

		<p>will be set aside to meet these costs (in addition to the base budget already approved of £18k per annum). As set out in the report, the AD: Finance & HR will consider the business cases associated with the proposed investments on an individual basis.</p> <p>DR 19 4 17</p>
LEGAL ISSUES	Yes	<p>The legal transfer of the Core liability sites has been completed and the balance of sites are due to be transferred in the next 12 months.</p> <p>Legal Services will continue to monitor the liability transfers and the Authorities obligations under the Land Deal Agreement.</p> <p>JH 17 5 17</p>
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	<p>The use of uplift monies provides the opportunity for investment to support further growth initiatives, including investments into strategic infrastructure and supporting developments.</p> <p>The Land Deal is based on the devolution to the local area (Telford & Wrekin Borough), of both risk and reward. HCA will receive the 2015 book values for all sites sold before net receipts are shared. On the majority of sites the actual land receipt achieved will be higher than the HCA book value due to investment into infrastructure etc. and the added value created through obtaining necessary planning permission.</p> <p>A further risk is the failure to dispose of the sites in accordance with the anticipated values or phasing of delivery to market after the Council has incurred significant capital expenditure. This could for example arise should local or national economic factors impact on the demand for developable land. This risk is mitigated by close scrutiny of the investments being proposed, the market and the role of the Land Deal Board (where the Council is represented by the Leader) agreeing to each land disposal. The Land Deal Agreement also allows for early termination in the event that major economic shocks impacting in delivery arise.</p>
IMPACT ON SPECIFIC WARDS	No	Borough wide impact.

PART B – ADDITIONAL INFORMATION

4. OUTCOMES TO DATE

- 4.1 Since the basedate of the Telford Land Deal the Deal has delivered the sale of 8 commercial sites and 7 sites for residential development. This has achieved a gross sale income of **£7,175,562**. The sites have delivered Employment Floor Space (EFS) of **35,504sqm** and **277** new homes and the commercial premises are anticipated to deliver

c.**405** new jobs, many in engineering and manufacturing adding skilled job opportunities for the Borough's communities.

- 4.2 A further 8 commercial sites and 2 residential sites are currently being negotiated and are anticipated to achieve a gross sales income of c. **£17million** in 2017/18 delivering new employment floor space of **41,467sqm (446,184sqft)**, anticipated job numbers of c.**588** and **320** new homes.
- 4.3 The Deal alongside the Council's Enterprise Telford business pledge and the Council's ability to provide land, build and lease bespoke properties and offer a full turnkey solution through its **£50m Growth Fund** is driving a high number of enquiries and has meant sites coming forward even faster than envisaged in the original programme. The Borough is seeing significant interest from the automotive and advanced manufacturing sector due in part to the continued growth of Jaguar Land Rover in the midlands region and the strength of the existing supply chain in the Borough with many resident companies expanding. Other related sectors that are active and expanding include food processing and agri tech, with the Land Deal set to make a £1m investment alongside the Government's LGF3 investment into delivering a new 10 Ha Innovation Park in Newport.
- 4.4 The investments coming forward are dominated by new investors entering the Borough or existing companies expanding taking additional floorspace/premises and is not leading to a major displacement of local companies from other local estates. The void level for industrial premises across all the Borough's estates is low with Telford & Wrekin Council currently holding only 2 voids across the over 300 industrial units within the Property Investment Portfolio with Andrew Dixon, a local agent managing a significant local portfolio commenting recently on the limited void stock across Telford.
- 4.5 The scale of investment sees the Borough established as a major inward investment destination and is delivering infrastructure, jobs and homes that are key to the Council's commitment to 'creating a better Borough'.

4.5 **Examples of Investments**

Details of all the achievements to date are included in the annual Status Report produced under the Deal for DCLG (Appendix 2). Specific examples of investments delivered through the Deal and the Council's investment include:

T54 – Flagship Automotive and Advanced Engineering employment site:

Plot 6 - Being developed by Magna International a Canadian tier 1 automotive company. The company are investing over £80 million into building a 250,000sqm plant at T54 delivering 300 new jobs in phase 1 with a further 300 in future phases.

The investment is understood to be the largest new overseas investment in to the UK in the last 10 years.



Magna April 2017

Plots 2 & 3 - Polytec have acquired plots at T54 which are due to deliver a new manufacturing plant of 136,000sqft and c.250 jobs over 3 phases of development.



Polytec June 17

Halesfield – Employment Site

Plot 2 Halesfield 24 – Site sold to Wrekin Pneumatics an existing Telford Company (currently located at Dawley Bank), for a new headquarters.

Plot 3 Halesfield 23 – Site sold to Alkane Energy for electricity backup storage

Plot A Halesfield 25 – Site sold to subsidiary of Travis Perkins for a storage warehouse for civil engineering equipment

Hortonwood West – New Industrial estate extending to 65 acres and delivering 750,000sqft of new employment floor space

Plots 3, 4 & 5 – Land sale agreed with existing Telford business for new additional manufacturing facility which will deliver over 260,000sqft in two phases.

Plot 6 – Land sale agreed with Baker Bellfield an existing Telford Business for new additional manufacturing facility which will deliver over 40,000sqft

Plots 9 – Site sold to TWC where through investment from the Council's £50m Growth Fund a new 65,000sqft industrial building is being delivered to support the relocation of Rosewood Pet Products a business from the West Midlands.

Plot 10 – Site sold to TWC where through the £50m Growth Fund a new 30,000sqft industrial building is being built to support an existing Telford business expansion.



Units 9 & 10 Hortonwood West – June 17

Demand in the residential market also remains strong with the Borough delivering c.1200 new homes in 16/17 and maintaining its position as number 2 nationally in the Centre for Cities ranking for housing delivery for the third year running.

5. Investment of Locally Retained Profit Share

- 5.1 Under the terms of the Land Deal it was projected that c. £19.3m of local profit share would be delivered when land is sold above HCA baseline values over the 10 year programme.

As part of the Agreement with Government a proportion of this is to be made available to the Marches Local Enterprise Partnership (LEP) to invest through the Marches Investment Fund.

- 5.2 The success achieved last year and deals set to be agreed in Q1 17/18 mean an initial profit share of c£3m is anticipated by the end of 17/18. Under the terms of the Deal the first £2m has to be set aside to support delivery of constrained sites leaving a projected £1m to reinvest into supporting further growth, of which 15% will go to the LEP.
- 5.3 The key principles underpinning how the investment of local profit share will be made were agreed as part of the Land Deal. Central to these is that the investment directly supports the objectives of the Land Deal which is to deliver new homes, new jobs and increased commercial floor space. The Agreement also sets out :-
- That Investment supports wider policy objectives of the local authority, HCA and Government to drive growth, economic development and regeneration
 - That the appraisal of proposals is proportionate to the level of investment being sought and sufficiently flexible to allow for a range of investment opportunities
 - That proposals be supported by a business case reflecting treasury guidelines
 - That investments accord with local authority procurement rules
 - That monitoring and evaluation of the impact of the scheme is in place

The Land Deal Board, established as a requirement of the Deal to oversee its delivery, has the final authority to determine investment of profit share by both Telford & Wrekin and Marches LEP profit share. This will be undertaken on the basis of an individual business case. This report seeks approval to delegate the selection of projects to be put forward for approval to the Land Deal Board, to the Assistant Director: Business, Development & Employment, in consultation with the Assistant Director: Finance & Human Resources and the Cabinet Member for Council Finance, Commercial Services and Economic Development.

It is anticipated that the schemes that could come forward could include;

- Provision of gap funding for new build developments where there is demand and a need for funding to meet a viability gap in a project (see case study in Appendix 1),
- Investment into strategic on site infrastructure such as new site accesses and
- Investment into off site strategic infrastructure such as highway improvements and utility upgrades.
- Investment into projects in local communities where development through the Land Deal is taking place, including supporting stalled sites and skills training.

6. Transfer of HCA Liability Sites to TWC

- 6.1 A condition of the Land Deal was that within 12 months of signature an agreement would be reached for the transfer of all other HCA liability (i.e. undevelopable) sites to TWC ownership. In accordance with the approved delegations set out in the March 16 Land Deal report, agreement has now been achieved with the first tranche of sites transferred to the Council.
- 6.2 The agreement reached includes the receipt of a dowry of £3 million in capital funding from HCA (£1.2 million in 16/17 and the balance in 17/18) together with the agreement to the use

of £1 million of local profit share (that had been originally ring fenced to be invested into HCA constrained sites).

- 6.3 Initial evaluation of the sites transferring indicates a need to spend an initial c.£750,000 from this pot on the transferring sites. With the majority of the spend being used to bring roads up to an adoptable standard as well as a small proportion for general maintenance works.
- 6.4 This leaves approximately £3.25 million of the 'dowry' to be held to cover future maintenance costs. Given the strength of return on investment of the £50m Growth Fund and opportunities in the market, approval is sought to invest the balance of capital money into property asset(s), which will generate an ongoing revenue stream to meet ongoing revenue costs. Agreement to such an investment would follow the same delegated process as currently in place for investment of the £50m Growth Fund. This requires a business case to be approved by the Assistant Director for Business, Development & Employment in consultation with the Assistant Director for Finance & Human Resources and the Cabinet Member for Council Finance, Commercial Services and Economic Development.

7. PREVIOUS MINUTES

Cabinet – 11 January 2011, CB-110

Cabinet – 17 October 2013

Cabinet – March 2015

Full Council – 3 March 2016, CB-79

**Report prepared by James Dunn Estates & Investments Service Delivery Manager:
01952 384331**

Case Study for Investment of Profit Share into Starter Units:

The Borough continues to see strong demand for a range of sizes of industrial units with a very low level of void rates across both the Councils and wider private portfolios. This demand includes smaller, starter or grow on units which are important to establishing new businesses in a range of sectors including food manufacturing and general industrial but also in areas of high value of engineering/manufacturing including robotics, 3D printing and digital sector. Such investment can provide a foundation for these businesses to then expand and grow in the borough potentially taking up other premises/sited delivered through the Deal. Currently however given enhanced costs associated with the construction of small units (in respect of the additional walls, toilets, roller shutter doors etc.) against market rents there is a viability gap, as is shown in the budget estimate for a scheme of some 16,700sqft (split into small units ranging in size from 700 to 1000sqft) below:

- a) Total Build Cost (including land): £1,700,000
- b) Market Rent: £80,000
- c) Capital Value (Growth Fund contribution): £1,150,000
- d) Viability Gap (Profit Share contribution): £550,000

The use of uplift monies would enable the delivery of much needed new starter units within the Borough making investment through the £50m Growth fund viable and unlocking future growth potential.

TELFORD Land Deal

DCLG Status Report June 2017





Delivery of strategic infrastructure

Apley :
Delivery of 100
residential units

T54 : Magna International
250,000sqft
manufacturing plant
295 jobs



*“Telford is currently
the beating heart
of foreign direct
investment”*



T54 : Polytec
136,500sqft
manufacturing plant
250 jobs

Hortonwood West :
400,000sqft across 4
developments
250 jobs



Foreword:

The Telford Land Deal has established a new model for reinvestment of public land receipts into delivering new homes and jobs, raising land values and accelerating growth. In 12 months the Deal has delivered above and beyond the original business case and year one Investment & Delivery Plan. This has included one of the largest UK inward investments in 10 years which has seen Magna International investing c.£80m into T54 delivering c.600 jobs over 2 phases. Polytec, another tier 1 automotive supplier is set to follow suit with the delivery of c.250 jobs over 3 phases. Telford has been identified for the third year running as number 2 nationally for housing growth by the Centre for Cities. Through the Deal we have already seen residential land sales set to deliver 272 new homes with land sales in the first quarter of 17/18 delivering a further 100 homes.

The Telford Land Deal is devolution in action directly benefitting communities across Telford and the Marches with new jobs and homes. It has exceeded Government capital receipt targets and is providing local profit share which is set to be invested straight back into delivering further growth.

Councillor Shaun Davies, Telford & Wrekin Council Leader

The Telford Land Deal was established to offer Telford & Wrekin Council the opportunity to take responsibility for the marketing and disposal of remaining HCA land holdings in Telford. In these early stages of delivering the deal it's really encouraging to see some great successes, enabling the Council to work with both existing businesses looking to expand and attracting significant new investors to the town. The deal is already offering new jobs for local people as well as the opportunity to develop new homes to help more local people in Telford have access to a home of their own.

Karl Tupling, General Manager for the Homes and Communities Agency (HCA) in the Midlands,

The Telford Land Deal is already having a direct impact on the economic growth potential of our region.

The early multi-million pound investment announced by Magna International was made possible because of this deal and served as a significant vote of confidence for the region's advanced manufacturing and automotive sectors. It also demonstrated the impact that the historic land deal could have, given that the outputs for this single investment are not just the 295 jobs being created in Telford, but also countless more in the supply chain across the wider Marches region.

Likewise, the Marches Investment Fund, which receives a share of the land sales under this deal, is now equipped with the funds to make regeneration and infrastructure projects (such as the transformation of the former Brintons Carpets factory) a reality.

These outputs make the lengthy negotiations which were required to secure the Land Deal all worth it and demonstrate the positive impact of partnership working.

Graham Wynn OBE, Chair, Marches Local Enterprise Partnership

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1. Summary of Achievements 2016 - 2017

1.1 Summary

The Telford Land Deal established a new model in public land disposal which through upfront investment into site preparation and marketing of sites underpinned by the Council's Enterprise Telford investment offer, has already delivered an acceleration in commercial and residential sites sold and raised land values above year one projections. The Telford Land Deal is devolution in action delivering above and beyond expectations with success underpinned by the strength of partnership between the Council and HCA and the support of the Marches LEP.

The Department of International Trade's Partnership Manager for the West Midlands stated "***Telford is currently the beating heart of foreign direct investment – It is the place to be!***"

Following a period of transition the Deal went fully operational in 2016 and to date has delivered the sale of seven commercial sites and six sites for residential properties. This has achieved a gross sale income of **£6,877,232**. The sites will deliver Employment Floor Space (EFS) of **48,191sqm** and **c.277** new homes and the commercial premises are anticipated to deliver **c.643** jobs.

The sale of five commercial sites and two residential sites are currently being finalised and are anticipated to achieve a gross sales income of **c.£17million** with EFS of **38,563sqm**, anticipated job numbers of **c.345** and **320** new homes within 2017.

Local Growth Funding via The Marches LEP has enabled C.£7.3m highway infrastructure works at Junction 4 of the M54 and Hortonwood West completed in April 2017.

The Deal alongside the Council's Enterprise Telford business pledge is driving a high number of investment enquiries and there are a number of sites now under offer with further enquiries progressing. The Borough is seeing significant interest from the automotive sector due to the proximity of Jaguar Land Rover's Engine Plant at I54 and the strength of the existing supply chain in the Borough with many resident companies expanding.

The largest deal delivered has been the c£80m inward investment by Magna Cosma a Canadian tier 1 automotive company. The company are building a 250,000sqm plant at T54 delivering 300 new jobs in phase 1 with a further 300 in future phases. The investment is understood to be the largest new overseas investment in to the UK in the last 10 years. In January Polytec another Tier 1 automotive supplier moving into Telford acquired neighbouring plots at T54 which are due to deliver c.250 jobs over

3 phases of development. Both investors were enabled through the upfront investment into site preparation, highways network improvements and utility upgrades (specifically electricity), driven by this deal and investment by the Council.

Residential site demand is also high with many of the large house builders such as Taylor Wimpy, Lovell Homes and Redrow bidding

2. BACKGROUND

2.1 Introduction

The Telford Land Deal, was formally completed on 24th March 2016, and signed by Telford & Wrekin Council (TWC) and the Homes & Communities Agency (HCA). The agreement documents the parties' intention to work together over a 10 year period from April 2015 to promote commercial and residential sites within Telford which fall within the Council and the Agency's ownership, with the Council taking the lead in site preparation in order to de-risk and accelerate delivery, and in bringing the land to the market.

There are **77** HCA sites and **11** TWC sites included within the Telford Land Deal (sites listed in Appendix 2). This deal offers the opportunity for TWC to drive economic growth and prosperity in the region by taking responsibility for the stewardship, marketing and disposal of all HCA land holdings in Telford.

The Council brings local market intelligence, a proactive approach to inward investment including a willingness to co-invest.

for sites. The majority of national house-builders together with a number of regional and local companies are represented in Telford due to an excellent pipeline of consented land. Telford has been identified as number 2 for housing growth in the 2017 Centre for Cities Report for the 3rd year running.

2.2 Context

Telford and Wrekin Council are driving forward economic growth and prosperity through Enterprise Telford which sets out a vision ***'To promote Telford's role as a major contributor to the West Midlands economy; to focus on those things that will do most to unlock jobs and create growth that will improve the lives of all the people who live in our Borough and; to make Telford a natural home for investors, innovators and entrepreneurs'***.

The Telford Land Deal supports delivery of this vision with up to £44.5m of land receipts over a 10 year period from the sale of agreed HCA assets in Telford recycled back into the local area. The investment is set to deliver 2,800 homes, 8,500 jobs and 300,000sqm of commercial floor space. The local area will also benefit from a share of land value uplift delivered where the Deal accelerates and raises land values over and above HCA profiled receipts. A proportion of this will be shared with the Marches Local Enterprise Partnership who have enabled Local Growth Funding to

support highway infrastructure to open up sites included in the Deal.

The Deal is based on a risk and reward model which will require TWC to make investment into site preparation up front, at risk, with this investment recouped from land receipts.

As part of the Deal, TWC are required to take freehold responsibility for all HCA liability sites i.e. those sites considered to have no development value and/or to incur potential costs. The Deal set out a timeframe of 12 months to enter into a detailed dialogue around the transfer of liabilities and establish an agreed payment mechanism to support revenue and potential capital implications of sites. The Funding Agreement governing the transfer was signed in March 2017 within the timescales set, with the first of two land transfer tranches also completed.

2.3 Operation

The Deal is managed through a 3 year rolling Investment & Disposal Plan which details the sites for disposal, investment requirements and estimated uplift achieved as a result. The overall Programme is dynamic and the order of land sales may change and investment required and receipts may vary with market. The 3 Year Plan provides much greater certainty and is reviewed annually by the Land Deal Board.

Appendix 1 illustrates the governance structure underpinning delivery of the deal.

2.5 Key Sites - Commercial

2.5.1 Commercial

T54 is a prominently located 78.11 acre site, 12 miles from I54 and the new Jaguar Land Rover engine plant. The site is divided into 7 plots of varying size, in an attractive landscaped setting adjacent to Stafford Park, one of Telford's major industrial estates. T54 joins the A464 close to Junction 4 of the M54 motorway linking to the M6. Plots 1-6 are allocated as a Committed Employment site within the Local Plan. Detailed planning applications have been granted for Plots 1c, 2, 3 & 5, as part of the Deal is the strategy of de-risking sites as far as possible to market readily developable sites. Local Growth Funding has been used to deliver strategic infrastructure improvement on the M54 motorway junction 4 and will be used for utility upgrades. The Council has also borrowed to invest further into utility upgrades in order to prepare this site for tier 1 automotive supply chain which have a high electricity requirement.

Scheme	Status	Employment Floor Space (sqm)	Jobs accommodated	Start on site	Site Completions	Private Sector Investment
T54 – Plot 6	Sold in 16/17	24,163	295	October 16	October 17	£80Million

A commercial site sold to Magna Cosma, a tier 1 automotive company supplying Jaguar Land Rover. They are building a new facility of 24,163sqm Employment Floor Space and will create 295 jobs.

T54 – Plot 1c	Sold in 16/17	373	10	September 17	June 18	£1Million
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Plot 1C T54 has been sold to a local company Gentech Products (Telford) Limited, who supply industrial products and services to industry and agriculture. The business has outgrown their current premises on Hortonwood in Telford. The newly constructed premises will house new offices, warehouse and trade counter premises to cater for their business growth.

T54 – Plot 2/3	Sold in 17/18	12,687	243	May 17	Phase 1 – Dec 18 Phase 2 – Dec 19 Phase 3 – Dec 20	In the region of £32Million
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A commercial site sold to Polytec Group Ltd who will develop a manufacturing facility, ancillary warehousing and office space in three phases. Polytec Group are a tier 1 supplier of Jaguar Land Rover (JLR) who are currently based in Bromyard, Herefordshire and this

will be a new facility in addition to their existing premises. They are a leading developer and manufacturer of high quality plastic parts to other car manufacturers. Projected job numbers are in the region of 243.

Related press releases can be found at Appendix 3.

<h3>Masterplan</h3> 	<h3>T54 Plot 6</h3>	
<h3>T54 Plot 1c</h3>		
<h3>T54 Plot 2/3</h3>		

HORTONWOOD WEST is a new flagship industrial site enabled by the Land Deal and Local Growth Funding. The site is divided into 10 plots ranging from 0.80 to 13.7 acres and suitable for a range of commercial premises. Work is underway to construct the internal estate roads and the access from the adjacent A442, Queensway. Outline planning consent was granted in July 2016 and the Land Deal has contributed towards highway to improvements to access the site as well as all utilities into the site and drainage.

Scheme	Status	Employment Floor Space (sqm)	Jobs accommodated	Start on site	Site Completions	Private Sector Investment
Hortonwood West - Plot 10	Sold in 16/17	3,156	15	May 16	July 17	In the region of £2.5Million (including tenant fit out)

Commercial site sold to Telford & Wrekin Council for the development of commercial premises to be leased to a local Telford company wishing to expand their business. The company will retain their current premises and this is an additional facility. The proposed tenant is a supplier to the food industry, supermarkets and other industries. The development extends to 3,156sqm of warehouse and ancillary office floor Space and will create an additional 15 jobs.

Hortonwood West – Plot 9	Sold in 16/17	6,262	60	February 17	October 17	In the region of £5Million
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The site has been purchased by Telford and Wrekin Council and is adjacent to Plot 10 above. The tenant is Rosewood Pet Products Limited who are suppliers of supermarkets and pet shops. The development will comprise of a warehouse and ancillary offices extending to 6262m² with car parking. The incoming tenant is new to Telford and is re-locating here due to expansion of the business. It is anticipated that 60 jobs will be created as a result of the expansion.

Hortonwood West - Plot 3, 4 & 5	In progress	5,400 Phase 1 22,580 Phase 2	70	April 18	Phase 1 – Dec 18 Phase 2 – 20/21	In the region of £5Million (estimated)
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A sale has been approved for the disposal of plots 3, 4 and 5 which extends to 27,980sqm to Craemer UK Limited who will develop a manufacturing facility, ancillary warehousing and office space. Craemer UK Ltd are an existing successful business on Hortonwood manufacturing wheelie bins and wish to purchase an additional site in Telford to extend their manufacturing business. They supply local authorities and the public sector. Projected job numbers are initially in the region of 70, with further expansion likely.

Masterplan



Hortonwood West – Plot 10



Hortonwood West - Plot 9



Hortonwood West – Plot 3, 4 & 5



HALESFIELD

Scheme	Status	Employment Floor Space (sqm)	Jobs accommodated	Start on site	Site Completions	Private Sector Investment
Halesfield 24 - Plot 2	Sold in 16/17	900	5	March 17	September 17	In the region of £1Million

Commercial site sold to Wrekin Pneumatics, an existing Telford company wishing to expand. They supply locally to businesses and domestic customers providing machinery repair services and compressors. The new facility extends to 900sqm of Employment Floor Space and will create 5 full time jobs. Completion of the site is due September 2017.

Halesfield 25 – Plot A	Sold in 16/17	650	15	October 17	April 18	£1Million
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Commercial site sold to Travis Perkins Properties Ltd to construct a brand new Keyline facility supplying specialist contractors and trade professionals. The site extends to 650sqm of Employment Floor Space and will create 15 new full time jobs. Start on site is due October 2017 with a completion date of April 2018.

Halesfield 24 – Plot 2



Halesfield 25 - Plot A



Scheme	Status	Employment Floor Space (sqm)	Jobs accommodated	Start on site	Site Completions	Private Sector Investment
Site 2 East Donnington Campus	In progress	2,323	10	September 17	19/20	£1.6Million

A sale has been agreed with a local business to facilitate expansion of their current premises, to create an additional storage and warehouse distribution centre of 2323sqm together with storage of HGV vehicles. This will secure current jobs and forecast of a further 10.

Hadley Park B	In progress	2,463	155	December 17	May 19	£6.5Million
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A sale has been approved for the disposal of Hadley Park Plot B for a mixed use development comprising 24 hour Petrol Filling Station, 418sqm ancillary retail unit, drive through coffee shop 186sqm and approximately 1859sqm trade counter / light industrial units.

Site 2 East Donnington Campus



Hadley Park B



Scheme	Status	Employment Floor Space (sqm)	Jobs accommodated	Start on site	Site Completions	Private Sector Investment
Hadley Park E	In progress	5,000	50	March 18	March 19	In the region of £4Million

A sale has been agreed to provide in the region of 5000sqm of trade counter floor space on Hadley Park E. Discussions as to the development, design and programme are ongoing and the anticipated start on site date is March 2018. Projected job numbers are in the region of 50.

Rampart Way	In progress	797	60	November 17	November 18	£2.6Million
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A site disposal has been agreed at Rampart Way which will see the development of two drive through restaurants and a coffee shop. The development will be 797sqm and will create an additional 60 jobs.

Hadley Park E



Rampart Way



2.5.2 Residential

Scheme	Status	Housing Units	Start on site	Site Completions	Estimated Private Sector Investment
Wellington Road	Sold in 15/16	Circa 40	Anticipated – September 2019	Anticipated – Late 2020	£4.2Million

Residential site sold to Central and Country Developments Ltd. The developer has submitted flood risk assessments to the Environment Agency and are awaiting a response. They are aiming to submit a planning application early 2018 and have estimated housing numbers to be circa 40 units.

Frome Way	Sold in 15/16	79	April 16	August 17	£8.2Million
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Residential site sold to Keepmoat. The developer started on site in April 2016 and had completed 67 units by the end of May 2017. The remaining 12 units are to be completed by August 2017.

Wellington Road



Frome Way



Scheme	Status	Housing Units	Start on Site	Site Completions	Estimated Private Sector Investment
The Beeches	Sold in 16/17	89	January 18	Spring 2021	£9.3Million

Residential site sold to Shropshire Homes Limited. This is a complex site involving refurbishment of historical buildings and enabling housing development. There has been no site preparation as yet but the anticipated start on site date is December 2017 with a completion date of spring 2021.

Priorslee East D3	Sold in 16/17	25	October 17	November 18	£2.6Million
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Residential site sold to Central and Country Developments Limited. Further highway assessment was undertaken through the planning process with a S106 being negotiated for the implementation of traffic calming measures. Start on site is due October 2017 with completion programmed for November 2018.

The Beeches



Priorslee East D3



Scheme	Status	Housing Units	Start on site	Site Completions	Estimated Private Sector Investment
Woodlands Farm Buildings	Sold in 16/17	4	December 17	September 18	£416,000

Residential site sold to Hama Homes Limited. The development is currently under review and the developer is to submit a planning application for a revised scheme.

Land at Daisy Bank	Sold in 16/17	Circa 40	February 2017	18/19	£4.2Million
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Residential site sold to Lioncourt Homes. The developer has started site preparation and is currently discharging planning conditions. Detailed consent was approved in November 2016.

Land at Daisy Bank



APLEY is a greenfield residential development site of 18.21 acres (7.37 hectares), 5 miles to the north of Telford town centre. The site is in an attractive landscape setting adjoining Apley Castle woods and has an outline residential planning consent for 100 units. The Land Deal is contributing towards highway costs to improve the road network leading to the site and on site infrastructure.

Scheme	Status	Housing Units	Start on site	Site Completions	Estimated Private Sector Investment
Apley	In progress	100	July 2017	January 2018 onwards	Circa £29Million

A sale has been agreed to Kier Ltd for a 100 unit residential development on a 7.37 hectare site to the North of Telford. The developer achieved reserved matters planning consent in March 17 and is anticipating site on start in July 2017 with completions due 2020. Development will include an upgrade to supporting highway infrastructure and the enhancement of recreational facilities.

Priorslee E&F	In progress	220	November 2017	September 2023	£45Million
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A sale has been agreed for a 220 unit residential development on a 7.92 hectare site in Priorslee, to the East of Telford. The developer is currently undertaking final ground survey works and working to obtaining a reserved matters planning consent to enable work on site to start in November 2017. Proposals also include the delivery of public open space and local play facilities.



3. Key Deliverables/Milestones planned for 17/18

Newport Innovation Park

The Land Deal is supporting the delivery of a privately owned 10 ha site being promoted through the Local Plan for a major, new employment site. The allocated site is in Newport and will provide space for a range of potential occupiers including start-ups, smaller businesses and larger occupiers. The masterplanning is supported by the nearby Harper Adams University and their Agric-Tech Centre of Excellence industry partnership.



Hortonwood Sites

Hortonwood is a well-established large industrial estate located in the north of Telford and has a variety of occupiers ranging from smaller local companies eg, Baker Bellfield, to large foreign direct investments eg, Craemer UK Limited. There are a number of plots at the western end of the estate and work is underway to bring these forward to the market. In order to accelerate the sale of the sites and to overcome ecological issues the Council is proposing to

submit detailed planning applications for the sites which will allow a new mitigation licence to be applied for and the necessary ecological work carried out.

Investment is also planned into the strategic and local electricity infrastructure to target investment manufacturing and distribution businesses.

The sites range from c.5 acres to c.23 acres, giving flexibility for incoming occupiers from smaller businesses to large multinationals.

Detailed development briefs are being prepared with a view to commencing Marketing on the site in 2017. Ecological and traffic surveys are currently being undertaken.

Shawbirch East Campus

This site comprises one single land parcel and is a designated employment site with a prominent position fronting the A442 arterial road North West of Telford. The site area is 22.16 ha (55 acres) and is currently undeveloped farmland, tenanted for arable agricultural use.

This site has not been actively promoted to date as it has been earmarked for a single large inward investor. However with the recent sale of T54 Plot 6 and Plot 2, approval to the sale of Plot 11b & 11d Hortonwood demand for large employment sites remains strong. It is therefore proposed to accelerate marketing for this site.

This approach will enable the Council to respond to any early interest whilst also seeking to maximise the rate of development demand on all the commercial sites already coming forward within the Deal.

Land adjacent BRJ, Wellington Road and Snedshill

Approval has been given for a direct sale to Nuplace Limited (a wholly owned company of Telford & Wrekin Council) to deliver much needed private rented housing in Telford. Survey and masterplanning work is being accelerated to support the early release of these sites with planning applications targeted for May/June 2017 subject to the outcome of ecology surveys.

Horton Lane

Horton Lane is a peripheral residential area on the northern fringe of Telford. Currently undergrazing licences, the small sites are suitable for infill residential plots, aimed at meeting demand from the SME and self-builder market. The Council will be submitting outline planning applications for 12 residential dwellings, to be marketed following receipt of planning.

Other Residential Sites

Work is now commencing on five other residential sites to bring forward suitable planning applications.

Appendix 2 provides a full list of sites.

4. Finance

The Deal is managed through a 3 year rolling investment and disposal plan, which is subject to regular reviews at the Land Deal Board. The table below demonstrates the net uplift and respective shares for the 2 years ended 31 March 2017, and the forecast for the first five years of the Deal. As set out in the Agreement, the first £2m of the TWC local profit share is set to be set aside to fund liability and constrained sites identified within the Deal, before the remaining share is retained by TWC for investment locally. Fifteen percent of the locally retained profit share is made available to The Marches LEP to invest via The Marches Investment Fund.

£	2 year Actual 31 March 2017 (..) – shows an income	5 year forecast 31 March 2020 (..) – shows an income
Gross land receipts	(7,715,562)	(40,921,316)
Net land receipts	(2,529,209)	(15,574,900)
Total costs to be funded from land receipts	1,783,774	9,994,239
Net uplift	(745,435)	(5,580,661)
HCA share @15%	(111,815)	(837,099)
TWC share @85%	(633,620)	(4,743,562)

5. Investments

5.1 Investment of Local Profit Share

In order to fulfil the Government's requirement to prove value for money from the investment of profit share and to show how local investment will deliver further growth, a priority list of investment is being prepared to come forward for consideration by the Telford Land Deal Board in the early part of 17/18. This will include investments to be made by Telford & Wrekin and the Marches Local Enterprise Partnership (who have a 15% share of the locally retained profit share).

The focus of the profit share will be to support the delivery of new homes and employment.

6. Communications and Marketing

A Strategic and Local Communication, Marketing and Engagement plan overseen by the TLD Board, underpins the range of activities being undertaken. The plan timetables planned press releases, events e.g. attendance by Enterprise Telford (the Council's Inward Investment campaign) at Automechanica and other specific visits (e.g. familiarisation visits by UKTI/DiT) and website activity. . The plan has both a local focus – recognising the need to engage with local communities within which sites are coming forward and outward facing to attract investor interest. The Plan includes activity lead by the Authority and the Marches Local Enterprise Partnership and Telford Business Board.

A partnership approach has been adopted to communications with all messages.

Underpinned by 3 key aspects:

- Delivering a consistent approach to all external communications
- Engaging effectively with appropriate audiences
- Raising the profile of the Land Deal and its impact on the Borough, Marches and West Midlands economy, on a local, regional and national level

A couple of recent press releases linked with major commercial investments are included at Appendix 3.

A focus for 17/18 is on using the success stories from the first year to promote the Borough's investment offer on a broader regional and national platform.

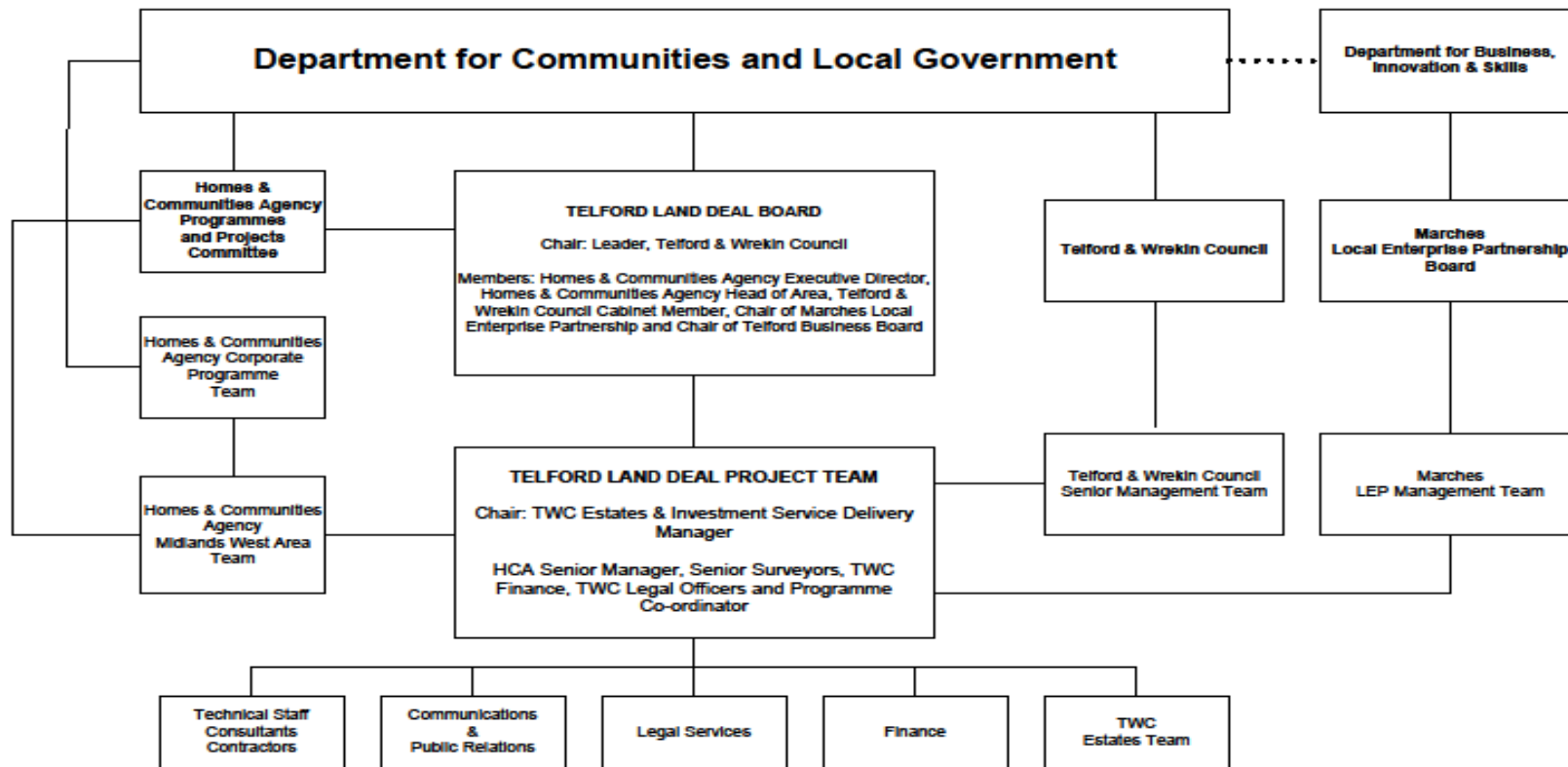
7. Lessons Learnt/Challenges

Reflecting a national issue, Telford's success in attracting inward investment has been challenged by the need for upgrades to utility infrastructure.

The capacity of the electricity network in the north of Telford is restricting the sale of some plots, particularly for high power users including advanced manufacturing and automotive. The network is at capacity and therefore investment is required to increase capacity and secure sales of the sites. Discussions have been on going with Western Power and capacity can be increased by expenditure on the network, however this is proving to be a significant cost to the land deal. If this cost could be funded via government infrastructure funding further acceleration and investments into the sites could be made.

Appendix 1: Governance Model

Telford Land Deal – Governance



Appendix 2 – Schedule of Sites

HCA site	Site ref. no.	PCS ref.	Parcel ref.	Status
Apley B1 (ii)	1211	19806	12348	In progress
Apley B3	1212	19806	5825	In progress
Hortonwood (Shawbrich East Campus Site)	1303	21800	1527	
Wellington (Adj Blessed Robert Johnson School Phase 1)	1210	19339	1417	
Wappenshall	1326	21964	1548	
Wappenshall	1327	21964	1549	
Wappenshall	1328	21964	1550	
Wheat Leasows – 10 Plots	1325	21963	1547 10781 12698 12887 12888	Plots 9 and 10 – sold Plots 3,4,5 – In progress Plot 6 – In progress
Hortonwood North Residual – 2 plots	1329	21961	1551 13111	
Land & Buildings Adj Horton Farm	1330	21961	1552	
Land off Horton Lane	1340	21961	1557	
Donnington Wood (K) (constrained site)	1220	20219	1430	
Donnington Wood Way (constrained site)	1332	20219	1553	Site transferred to TWC
Land North of Granville Road (Donnington Wood) (constrained site)	1287	20219	1502 12913	
Priorslee East - Phase 1	1228	19629	11429	In progress
Priorslee East F	1229	19629	6091	In progress

Land Snedshill / Church Road	1224	28463	1434	
Land – Priorslee Road	1225	24497	1436	
Priorslee Road (Phase 2)	1226	24497	1436	
Old Park Campus Site (constrained site)	1277	24497	1436	
Old Park Phase 1 and 2 (constrained site)	1233	28462	1445	
Lawley Extension	1243	21334	1458	
Lawley Extension	1244	21334	1459	
Lawley Extension	1382	21334	1460	
Lawley Village Residential Site (Non Strategic Project)	1382	21334	1591 1592	
T54 – Plot 2	1284	22479	1499	Sold
Sub Station Nedge	1198	20526	1406	Sold
T54 – Plot 3	1399	22480	1604	
T54 – Plot 5	1401	22482	1606	
T54 – Plot 6		22483		Sold
	1285	26764	1473	
T54 – Plot 7	1348	22484	1565	
Nedge Buildings (The Hem)	1182	22485	1393	
Land Around Nedge Buildings (The Hem)	1257	1257	2952	
The Hem Phase 4 (The Hem)	1263	21775	2954	
The Hem Phase 3 (The Hem)	1260	21775	1476	
Open Space – Nedge Housing (The Hem)	1320	21775	1542	
The Hem Phase 2 (The Hem)	1261	21775	1477	
Halesfield 24 – Plot 2	1266	21777	1483	Sold

Halesfield 23 – Plot 3	1267	21779	1484	Sold
Halesfield 25 – Plot 6	1265	21776	11576	Sold
Halesfield 18	1269	21319	1485	
Plots – Moor Farm, Majestic Way	1256	16153	1472	
Lightmoor Road	1272	16153	1487	
Town Centre Hall Court Car Park	1280	24497	1495	Sold
Rough Park 3	1264	16153	1480	
The Beeches	1964	20464	2095	Sold
South West Old Park Mound (Specified Site)	1279	24497	1497	
Plot 12 Hortonwood	1292	21790	1509	
Plot 6 Hortonwood	1294	26707	1511	
Plot 1 Hortonwood 65 (Specified Site)	1295	21793	1512	
Plot b, d and remainder of e Hortonwood – 3 plots	1297	21795	10669 10678 6056	
Site C Pool Hill Road	1378	28464 21757	1587	
Site D Pool Hill Road	1379	28464 24982	1588	
Plot – Rock Road	1234	22347	1446	
Hadley Park B	1299	21797	5989	In progress
Hadley Park A	1298	21797	5809	Sold
Hadley Park E	1301	21804	6014	In progress
Site 2 Donnington Campus	1289	22224	6115	In progress
Croppings Farm House	1180		1391	

Land at Wellington Road	1195	19807	6061	Sold
Land at Wellington Road	1215	19807	6061	Sold
Land at Daisy Bank	1221	21043	5876	Sold
Rampart Way	1281	24497	1496	In progress
T54 – Plot 1c	1283	22478	1498	Sold
Hortonwood 37	1290	21789	1505	
Priorslee East D3	1376	19794	1586	Sold
Donnington H Phase / Froome Way	1385	21796	1594	Sold
Woodlands Farm Buildings	1398	24201	6138	Sold
<u>TWC Sites</u>	<u>Site Ref</u>	<u>Status</u>		
Charlton Site	A0422			
Plot 2 Telford Rail Freight	A1133			
Plot 1 Telford Rail Freight	A0908			
The Sutherland School	A0126			
Wrockwardine Wood Arts Academy	A0125	Sold		
Ercall Wood Technology College	A0421	Sold		
Phase 2 Dawley	A0084			
Phoenix Academy	A0151			
Grange Park Primary School	A0090			
Lakeside Academy	A0105			
Newport Innovation Site	A1111			

Appendix 3 – Press releases

T54 – Plot 6 Sale to Magna

Council welcomes Magna International announcement

Published 25 May 16



Telford & Wrekin Council today welcomed the announcement that Magna International Inc plans to build a new world class aluminium casting facility at T54

Councillor Shaun Davies, Telford & Wrekin Council's cabinet member for Business, hailed the announcement as an "extremely significant" day for the borough of Telford and Wrekin.

"I am delighted that Magna International has decided to locate its new multi-million pound facility here in Telford," said Councillor Davies.

"This signals the dawn of a bright new era of opportunity for everyone in the borough. In Telford, we pride ourselves on being inventive and dynamic and the details of the high tech production process Magna has announced for its planned facility shows that they are a perfect fit for us.

"We have been talking to Magna International for more than two years and an awful lot of hard work has gone on behind the scenes to make this possible so today is a realisation of all those discussions.

"I would like to thank everyone at the Council who has been involved in those negotiations – from the first contact at a national conference through to the conclusion of the deal in the last few weeks.

“This has been made possible as a result of the land deal that we announced in March with the Homes and Communities Agency and the Marches Local Enterprise Partnership, which will see us deliver 8500 new jobs through investing in bringing sites like T54 to the market.

“Magna’s announcement today represents a hugely significant multi-million pound investment which demonstrates that Telford & Wrekin Council’s drive to attract new business and jobs is realising spectacular results. “This major development will see the creation of 295 skilled local jobs when the plant is at full capacity. The investment will also support many more jobs in the local supply chain.

“It also demonstrates the value of our strengthening links with the West Midlands and its worldwide reputation for advanced manufacturing. With the T54 site just 12 miles from Jaguar Land

Rover’s i54 complex, we are seeing significant levels and enquiries and we are confident more market leaders from the automotive supplies sector will be investing in Telford.

“Magna’s proposed world class aluminium casting facility in Telford will be the largest automotive development in the West Midlands after the Jaguar Land Rover complex at the i54 site. We confidently expect that this will prove a gateway for further investment in the T54 site, which is already home to XYZ Automation and Filtermist International.

“Subject to receiving planning permission, we expect that construction on the new facility will begin in the autumn of this year. Magna has said production will begin in 2018.”

T54 is Telford and Wrekin's flagship automotive and advanced manufacturing employment site.

T54 – Plot 2 - Polytec

Automotive parts supplier Polytec to establish new UK base in Telford

Published 13 Jan 17

Telford & Wrekin Council and the HCA are delighted to announce that automotive parts supplier Polytec Group is to build an additional manufacturing site at the T54 technology park.



The new facility will be constructed over three phases. The first phase will create as many as 100 jobs at Plots Two and Three of T54 at Junction 4 of the M54.

It is a direct result of the Land Deal between the Homes and Communities Agency and Telford & Wrekin Council, secured as part of the Marches Local Enterprise Partnership's Growth Deal.

The Austrian firm is a leading developer and manufacturer of high quality plastic parts, a full service provider in the field of injection moulding and a specialist in fibre-reinforced plastics supply.

Their UK base is currently at Bromyard in Herefordshire. However Polytec have won several major new contracts with a number of vehicle manufacturers which they cannot service from their current facility.

Polytec's plans incorporate three stages of development starting with the new paint plant and assembly hall then progressing to manufacturing facility and finally an additional assembly hall. Detailed planning permission for the site has already been submitted.

Councillor Shaun Davies, Telford & Wrekin Council leader, said: "This is fantastic news for the borough and is another victory for our business winning and business supporting approach.

“The investment into strategic improvements both through our £50m Growth fund and Marches Local Enterprise Partnership (LEP) funding has been critical in enabling this development to come forward.”

“This builds on last year’s announcement of Magna International’s plans to build their aluminium casting facility at T54.

“I confidently expect that there will be more positive news for Telford as a result of the Land Deal with the Homes and Communities Agency in the coming months.”

Karl Tupling, the HCA’s General Manager for the Midlands, said:
“The Telford Land Deal offers Telford & Wrekin Council the opportunity to take responsibility for the marketing and disposal of remaining HCA land holdings.

“Alongside our recent land sale to Magna Cosma Castings, Polytec’s proposed investment has the potential to bring significant

jobs to Telford and fits squarely with the local strategy to encourage automotive supply chain growth.

“New skilled jobs means increased demand for housing and the HCA is also working closely with Telford & Wrekin Council to develop significant housing through schemes such as Lawley and Lightmoor.”

A spokesman for Polytec said: “We are very excited about this investment as it will allow us to both increase our capacity and introduce the latest technologies specifically in the painting process.”

The land deal will see a percentage of receipts generated from the sale of HCA land in Telford go to the Marches LEP’s new Marches Investment Fund – which will support growth projects in Herefordshire, Shropshire and Telford & Wrekin.

Appendix 4 – Quotes from Investors

"This Telford project will bring the most advanced structural casting technologies to the UK."
President of Cosma International (Magna)

"Because of the Council's business support service I decided to expand and stay in Telford rather than relocate to Birmingham....a great choice"
Managing Director, Asteria Global Ltd

"Telford is currently the beating heart of foreign direct investment!".....DIT Partnership Manager West Midlands

We are relocating in Telford in larger premises which is really exciting....through a streamlined range of business support services this has been a really smooth process"
Managing Director, Edmond Food

"Telford has proved to be the ideal location for our business; we were able to secure our premises with room for a 50,000 sq ft warehouse extension. The "Enterprise Telford" team provided valuable advice on funding, skills . . . together with professional architect services (BIT)"
Managing Director Moneta Packaging



Driving growth **and prosperity**

"The scale of housing delivery in Telford & Wrekin positions the town as the 2nd highest nationally"
Centre for Cities 2016

"We had been looking for some time at opportunities for a new hotel in Telford Town Centre. The ability to work with the pro-active commercially focused Telford Council gave us the opportunity we wanted and the comfort that it will be delivered".
Andrew Silverwood – Development Manager of Travelodge

" Our new Telford headquarters signals the start of an important new chapter in Filtermist's history by ensuring we are capable of meeting growing global demand"
Managing Director, Filtermist

"The Enterprise Telford Team offered a design and build service on a 1.4 acre site in Hadley Park East. This sitehas now been designed and built to Staubli's exact specifications".
General Manager, Staubli UK