

CABINET

MINUTES OF THE CABINET MEETING HELD ON 15 JANUARY 2019 AT KENNET ROOM - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.

Present:

Cllr Baroness Scott of Bybrook OBE (Chairman), Cllr John Thomson (Vice-Chairman), Cllr Pauline Church, Cllr Richard Clewer, Cllr Laura Mayes, Cllr Toby Sturgis, Cllr Bridget Wayman, Cllr Philip Whitehead and Cllr Jerry Wickham

Also Present:

Cllr Ian Blair-Pilling, Cllr Andrew Davis, Cllr Peter Evans, Cllr Sue Evans, Cllr Richard Gamble, Cllr Darren Henry, Cllr Ruth Hopkinson, Cllr Tony Jackson, Cllr Bob Jones MBE, Cllr Gordon King, Cllr Brian Mathew, Cllr Stewart Palmen, Cllr Horace Prickett, Cllr Fleur de Rhé-Philipe, Cllr Ian Thorn, Cllr Stuart Wheeler and Cllr Robert Yuill

1 Apologies

There were no apologies.

2 Minutes of the previous meeting

The minutes of the meeting held on 11 December 2018 were presented.

Resolved:

To approve as a correct record and sign the minutes of the meeting held on 11 December 2018.

3 Declarations of Interest

There were no declarations of interest.

4 Leader's announcements

The Leader explained the approach to public participation during the meeting.

5 Public participation and Questions from Councillors

1. Colin Gale, on behalf of Pewsey Community Area Partnership (PCAP), Campaign to Protect Rural England (CPRE) and Pewsey Parish Council

(PPC), asked a number of questions about key decisions made by the Council.

Cllr Richard Clewer, Cabinet Member for Housing, Corporate Services, Arts, Heritage and Tourism confirmed that a written response had been prepared and sent to Mr Gale prior to the Cabinet meeting.

Mr Gale then asked a supplementary question about the Council's response to his first question. Cllr Clewer explained that a written response would be prepared.

6 **Treasury Management Mid Year**

Cllr Philip Whitehead presented the report which provided a mid-year review of the Treasury Management activities for the period 1 April 2018 to 30 September 2018.

Cllr Whitehead was pleased to report that, (i) against budget, there was a positive variance in respect of interest receivable/payable of £0.208m; (ii) confirmed that the Council had not taken out any new external borrowing (loans) during 2018/19; and (iii) the Council did not breach any of its performance indicators during 2018/19.

Cllr Thorn, Chair of the Financial Planning Task Group congratulated the Cabinet member and officers for the new layout of the report and how this has helped his understanding of the detail. In response to additional questions from Cllr Thorn, Cllr Whitehead agreed that he would provide a set of the performance indicators, as requested, and confirm the reasons in writing why the Council received a temporary loan from Bristol City Council between September and October 2018.

Resolved: To note the Treasury Management Mid-Year report and that it accords with the Treasury Management Strategy.

Reason for Decision:

To give members an opportunity to consider the performance of the Council in the period to 30 September 2018 against the parameters set out in the approved Treasury Management Strategy for 2018/2019

7 **Service Devolution & Asset Transfer Package - Devizes**

Cllr Richard Clewer presented a report recommending a final package of services and assets to transfer to Devizes Town Council from Wiltshire Council and provided information relating to the financial impact this would have on Wiltshire Council.

Cllr Clewer detailed the final package of the services and assets to be transferred, in particular, that the current parking spaces in the Market Place would be removed and that all Section 106 monies held or due to Wiltshire Council relating to assets within Devizes Town boundary would be transferred to the Town Council.

In response to questions from Cllr Thorn about Section 106 monies and capacity of the Council's legal team to undertake the additional work, Cllr Clewer confirmed that Section 106 monies would be transferred to the Town Council and that the legal team were currently appointing additional staff to help with the process.

Cllr Peter Evans suggested that the transfer of the services and assets be completed over an extended timeframe that would help the Town Council adopt to the additional workloads. Cllr Clewer explained that the officer team involved in the transfer had had significant contact with the Town Council over a long period and he was confident that the original timescales could be met, however, a phased approach could be employed if necessary.

The Cabinet heard from Simon Fisher, Devizes Town Council Town Clerk, who welcomed the transfer of services and assets, although he expressed the concerns of the Town Council in relation to the proposed removal of parking in the Market place. He noted that the transition would have to be managed sensitively to avoid issues for residents and visitors. The Leader suggested that the Town Council works closely with Highways Officers and other interested parties to deliver a smooth transition.

Cllr Clewer and Cllr Whitehead thanked members of Devizes Town Council for their involvement in securing the transfer of services and assets detailed in the report.

Resolved:

- 1) The final list of services and assets listed that will be transferred to Devizes Town Council be approved. The inclusion of any open space land is subject to consideration of any objections received following the advertising of the disposal in accordance with statutory obligations.**
- 2) Agree to the transfer of the Market Place Carpark with all associated conditions being met by the Town Council.**
- 3) Note the net revenue impact to the Council and acknowledge that the Service Devolution programme benefits of cost savings and avoidance will be realised on a cumulative basis as the programme progresses and as more Towns/Parishes complete the process.**
- 4) Delegate the implementation of the transfer of assets and the service delegation to the Growth & Investment Programme Director**

in consultation with Cabinet Member for Housing, Corporate Services, Arts, Heritage and Tourism.

Reason for Decision:

To complete the transfer of the package of assets and services to Devizes Town Council.

8 Wiltshire Council Adoption Service: 2018 Q1-2 6 Month Report

Cllr Laura Mayes presented a report which provided an interim six-month report about the performance of the Adoption Service of Wiltshire Council.

Cllr Mayes explained that it was a statutory requirement that the Adoption Service provided regular assurance reports to the Council. This is achieved through annual year-end report, supported by a brief six-month update relating to quarters 1 and 2. The report detailed the following two main areas of focus, as there was a need for continual improvement regarding the Adoption Service:

- The need for timeliness of the assessment of adopters and their match with a child to be adopted; and
- The need for timeliness of the adoption of children with complex needs.

The report recognised the Government's commitment to improving adoption services in terms of numbers of children being adopted and the timeliness of matches for children requiring adoptive placements, the development of the Adoption Service, within the broader context of the development and implementation of Adoption West.

Cllr Mayes spoke about the measurement of comparative performance using the Adoption Scorecard, which for Wiltshire Council shows overall continued improvement. In particular, Cllr Mayes referred to (i) improvements in the average time between a child entering care and moving in with its adoptive family, for children who have been adopted; and (ii) the reduction in enquiries to become an adopter and the applications received to be an adopter, which appeared to be a national trend. The cabinet noted that the number of adopters required by the Council was a balancing act which fluctuated from year to year.

In response to a question from Cllr Mathew about the morale of potential adopted parents, whilst waiting for an adoptive child, the Corporate Director for Children and Education reported that the recruitment process was explicit in explaining the timescales involved in adopting a child and regular communication between adopters and officers within the process was key.

Resolved: That the Adoption Service 2018 Q1-2 6 month report be noted.

Reason for Decision:

Wiltshire Council is an Adoption Agency registered with Ofsted. The 2014 Adoption Minimum Standards (25.6) and 2013 Statutory Guidance (3.93 and 5.39) describe the information that is required to be regularly reported to the executive side of the local authority to provide assurance that the adoption agency is complying with the conditions of registration whilst being effective and achieving good outcomes for children and service users.

Adoption West will be required, as a registered Adoption Agency, to provide regular reports to the Local Authorities within the partnership.

9 Establishing a Local Housing Company and Local Development Company

Cllr Richard Clewer presented a report seeking support for the establishment of a local housing company and a local development company.

Cllr Clewer explained that there are a range of strategic housing needs facing the Council that could not easily be addressed by the Council's current approaches. These included, (i) The impact of the lack of key worker accommodation on the availability of services in parts of Wiltshire; (ii) Accommodation to meet the needs of specific vulnerable households in a timely manner from the existing housing stock in Wiltshire, is not a priority for the Council's registered provider partners; and (iii) The Council procures accommodation for homeless households that is costly and the quality and cost could be improved by private rented sector accommodation provided by a local housing company.

The report highlighted that the Council has a successful programme of asset disposal. Over the next three years the Council estimates that it may be able to offer to the market, sites capable of residential development which, subject to planning permission could deliver over 500 units of accommodation. Cllr Clewer suggested that if the Council was to establish a local development company not only would it enable the strategic housing needs across the County to be better met it would also increase the potential return that could be generated from the developments. Cllr Whitehead confirmed that it was important to create a revenue stream for the future, and these proposals met this demand.

Cllr Thorn, Chairman of the Financial Planning Task Group, reported that the Task Group had scrutinised the proposals at its meeting held on 8th January 2019, and had made the following comments:

1. The Board should include at least two independent directors (rather than one), one of whom should act as chairman, to provide the necessary independence and expertise.
2. Clarity is required regarding projected returns on investment. It is problematic to assume broad success having only modelled a few specific investments.

3. The council's financial assumptions (outlined in the confidential figures received) were different to Saville's with regard to construction costs. It should exercise caution if not heeding Saville's greater expertise in this area.
4. No business plan being forthcoming to Cabinet etc (only to the Board) is a concern.
5. The social priority of meeting unmet keyworker housing need (addressing market failure) and the commercial priority of generating income may be in conflict to an extent.
6. Although there may be a small risk of disrupting markets at a very local level (e.g. where significant development is planned or in progress already) our focus should be on growing Wiltshire's housing stock as much as possible.

In response to the points made above, Cllr Clewer commented that, (i) the number of Independent Directors initially would be set at 1, as recommended, although this figure may change as the companies are developed; (ii) The Business Plan could be reported to the Cabinet; (iii) the risk of disrupting local markets was a very real possibility, although this would be taken into account when deciding on the type of housing placed at a particular site.

Cllr Wheeler, Member of the Financial Planning Task Group, spoke about the professional experience in relation to setting up this type of business and urged the Cabinet Member to consider the suggestion of the Task Group in relation to the number of Company Directors as there was potential for putting the financial investment by the Council at risk. In addition, he suggested that the Council should also consider including Commercial development within the proposals. Cllr Clewer confirmed that the Cabinet would be considering a report on commercial assets at its next meeting and this could be an area for consideration in the future.

Cllr Mayes expressed support for the proposals and asked for the views of Care Leavers and their requirements to be considered during the development of the proposals.

In response to a question from Cllr Wickham about key worker accommodation, Cllr Clewer advised that the Council needed to be careful in how it interpreted key worker.

Cllr Sturgis welcomed the proposals but expressed caution about the timing of any future developments. He indicated that the lead in times, following the granting of planning permission, were normally longer than first anticipated and the building of homes would not be a solution for quick development.

Cllr Thorn, Liberal Democrat Group Leader, welcomed the initiative and indicated that the main areas of concern for the Group were market failure and challenges to mainstream developers bringing forward potential sites. However, the Group was pleased about the ability of the Council to influence the market in

a positive way, and create a much more effective market place for agency staff in delivering the necessary housing.

In response to a question from Colin Gale about the impact of the proposals on community land trusts, Cllr Clewer agreed that there was a balance to be struck and potential conflicts would need to be addressed.

Cllr Thomson invited Cllr Clewer to present the proposals for the Local Housing Company and Local Development Company at a meeting of One Wiltshire Estate Partnership arranged for 19th February 2019.

The Leader of the Council thanked the Cabinet Team and the Director of Housing and Commercial Development for their contributions in developing the proposals and welcomed the full political support.

Resolved:

- 1. The establishment of a local housing company as a company limited by shares initially set up as a wholly owned subsidiary of the Council be agreed.**
- 2. The establishment of a local development company as a company limited by shares initially set up as a wholly owned subsidiary of the Council be agreed.**
- 3. That the Council nominates the cabinet member for Corporate services, Housing, Heritage, Arts and Tourism and the cabinet member for Finance, procurement, ICT and operational assets, a member from the opposition party and the Corporate Director of Growth, investment and Place to the boards of both companies.**
- 4. That the Council recruits an independent nominee to each board who has the requisite skills for each company.**
- 5. That the Council provides short term loan start up funding or services for the companies.**
- 6. That the Council provides loan finance of up to £50 million from 2019/20 to 2023/24 to the local housing company.**
- 7. That the Council agrees a provision of up to £5 million to fund equity investment and loan finance to the local development company from 2019/20 to 20123/24.**
- 8. That the provision of loan finance to the Local Housing company is subject to a nominations agreement with the Council.**
- 9. That the Council will offer services to both companies.**

10. That the detailed arrangements to establish the company and contracts for services provided by the Council is delegated to the Corporate Directors, other than Corporate Director Growth, investment and place, in consultation with the Director of Legal and Democratic services (Monitoring Officer) and the Director of Finance and Procurement (section 151 Officer).

Reason for Decision:

The proposal to establish a local housing company is aimed at providing residential accommodation in Wiltshire that can meet the wider strategic housing needs of the Council as well as generating a return for the Council.

The proposal to develop a local development company is aimed at enabling Council land assets to be developed to meet the strategic economic and social needs of Wiltshire whilst maximising the return for the Council.

10 Urgent Items

There were no urgent items.

11 Exclusion of the Press and Public

Resolved:

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Minute Number 12 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

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(Duration of meeting: 9.30 - 10.55 am)

These decisions were published, earlier, on the 17 January 2019 and will come into force on 25 January 2019

The Officer who has produced these minutes is Stuart Figini of Democratic Services, direct line 01225 718221, e-mail stuart.figini@wiltshire.gov.uk

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