

## **CABINET - 24 July 2014**

### **MINUTES**

**Present:** Councillors: R Sleigh, I Courts, Mrs D Holl-Allen, R Hulland, K Meeson, T Richards, Tildesley, K Macnaughton, A Nash and J Windmill

**Officers:** Nick Page, Philip Lloyd-Williams, Paul Johnson, Anne Brereton, Sally Hodges, Philip Mayhew, Mike Swallow, Sarah James and Jane Game

#### **1. APOLOGIES**

No apologies were received.

#### **2. DECLARATION OF INTEREST**

Cllr Richards and Courts reminded Members that in relation to item 7 and 14 he represented the Council on the North Solihull Regeneration Board.

#### **3. QUESTIONS AND DEPUTATIONS**

The Chief Executive advised that Cllr T Hodgson had prepared a written statement in relation to item 11, which stated:

"I am unable to be present this evening to address you personally but as Cabinet is aware the redevelopment of the Powergen site is a key priority for me as a ward member, and I have long advocated this important regeneration project for Shirley.

I believe as part of your decision this evening you should set up a Working Party as I proposed at Council on 15th July, giving local ward members and other key stakeholders a forum in which to oversee and scrutinise the development. This approach will ensure the process going forward is both democratic and accountable.

It is vitally important that the consultation process is open and takes account of the residents most directly affected by the plans. I will be monitoring this closely as things move forward. Any capital receipt received by the Council must be made public and a commitment should be made by Cabinet that these monies will be reinvested into Shirley to provide better facilities for the community.

It is widely acknowledged that the site, being 9 acres in size, has huge potential, particularly in respect of housing, and I believe this potential can be utilised and in the process make a significant contribution towards the Council being able to demonstrate a 5 year housing supply for the borough.

The Extra Care facility mentioned in the report would be a valuable component

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of the redevelopment and is something I welcome. However, I am concerned by ASDA's desire to include a petrol filling station in the scheme, which would not sit well in a predominately residential setting and should be resisted.

I want to conclude by highlighting that Cabinet need to be able to evidence that the best consideration test has been adequately met. It is notable that the same developer who delivered Parkgate late is proposed as the development manager for the redevelopment. I would like further information to be made public on how this has come about and what tendering process has been followed.”

### 4. MINUTES

The minutes of the meeting held on 19 June 2014 were received for information only.

**RESOLVED:**

That the minutes of the meeting held on 19 June were received for information only.

### 5. RELOCATION OF DATA CENTRE AND PROPOSED ALTERATIONS TO BASEMENT STORAGE ARRANGEMENTS IN CHURCH HILL HOUSE

The Cabinet was invited to consider:

- a proposal to relocate the data centre to the civic suite car park to assist in planning for the complete redesign of the Council house complex and to improve efficiency and capacity; and
- proposed changes to basement storage facilities in Church Hill House to rationalise storage space in order to assist with the Council House refurbishment project.

The Director of Resources advised that the data centre formed an essential part of the Council's IT infrastructure, housing servers and storage equipment that run software process and store data for the Council. He advised that it was key to ensuring business continuity for all services within the Council. The report detailed the risks to the data centre especially relating to the Church Hill House refurbishment project. The report set out the recommended action, the costs and evaluation of alternative options. The Director also drew Members attention to the energy savings which could be accrued.

With regard to the rationalisation of the basement storage facilities within Church Hill House, the Director advised Cabinet of the current arrangements and the reasons why changes were necessary, along with the associated costs and the proposed solution.

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In receiving the report Members asked how many people would be affected by the loss of car parking, whether security issues had been considered and had the risk of flooding been taken into consideration in relation to the storage of paper files. The Director advised that 16 people currently had parking permits for this area, and they would be accommodated elsewhere, security for the area had been taken on board, as had the risk of flooding in the storage area for the paper files.

### RESOVED:

- (i) That the relocation of the data centre to the first floor of the Civic Suite car park as set out in Appendix A to the report be approved;
- (ii) That the plans to rationalise basement storage space within Church Hill House as set out in Appendix B to the report be approved;
- (iii) That the prudential borrowing of up to £900,000 for the data centre project and up to £300,000 for the basement storage project, which allowed for contingencies be approved; and
- (iv) That the changes to the Council's energy budgets and IT revenue budget as set out in the appendices to the reports be approved.

## 6. APPLICATION FOR DESIGNATION OF A NEIGHBOURHOOD AREA BY CHESWICK GREEN PARISH COUNCIL

The Cabinet was invited to consider the application made by Cheswick Green Parish Council to designate the Parish as a Neighbourhood Area and the representations received through the consultation.

The Cabinet Member for Economic Development and Land advised Members of the background to the report and reported that Cheswick Green Parish Council had submitted an application to be designated as a Neighbourhood Area. This would be the first formal stage in the process of the Parish Council preparing a Neighbourhood Development Plan (NDP) for Cheswick Green.

The necessary statutory consultation was undertaken and two consultation responses were received both fully supportive of the application. The report detailed the area that would be covered, and the legislative framework for assessing the application. The Cabinet Member also advised that as the proposed Neighbourhood Area was not wholly or predominantly business in nature, it was not considered appropriate to be designated as a business area.

The next step was for Cheswick Green Parish Council to develop its NDP and submit it to Solihull MBC to check it had complied with the legislation and conformed with the strategic policies of the Development Plan and national policy guidance.

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Members welcomed the report but sought clarification that the proposal would not adversely affect the Council's LDP, and whether grant money was still available to the Council and Parish Council to cover the costs associated with the proposal. Officers confirmed that Council's LDP would not be affected and grant money could still be applied for.

### **RESOLVED:**

Members agreed to designate the Neighbourhood Area as submitted by Cheswick Green Parish Council, attached as Appendix 1 to the report.

### **7. NORTH SOLIHULL PRIMARY PROGRAMME – PHASE 4B ST ANTHONY'S AND ST. JOHN THE BAPTIST RC PRIMARY SCHOOLS**

The Cabinet was invited to approve the commencement of the next stage of the design process for St Anthony's and St John the Baptist RC Primary Schools, the final schools within the North Solihull Primary Programme.

The Cabinet Member Education, Skills and Culture advised that the report set out the essential elements of the briefs that would form the basis for moving forward into the second stage of detailed design. He also informed Members that as these were the final schools within the programme they were directly linked to the NSP Business Plan contribution of £2.5m. The schemes also focussed upon the existing sites and as remodelled proposals had not required the same level of exposure as new developments on relocated sites.

The financial implications of the project were detailed in the report, but the Cabinet Member highlighted the NSP contribution and that funding was subject to the accrual of future land receipts from planned developments and the final approval of the NSP Board.

A further report would be presented to Members ahead of a detailed planning application to ensure that the financial implications were fully aligned. A final report would be presented for approval following planning approval and procurement prior to work starting on site.

Members commented that the Schools Improvement Programme had been started some years ago, and although it had taken a little longer than planned to get to the final two schools, this was a significant achievement, especially in light of recent economic conditions. Members also noted how crucial land receipts were in being able to complete the final two schools.

### **RESOLVED:**

- (i) That the commencement of the second stage of design development to enable preparation of detailed planning proposals for St Anthony's and St John the Baptist RC Primary Schools based upon their draft design briefs (accessible on line) be approved; and
- (ii) That a provisional budget for each school, subject to funding being available in the North Solihull Partnership (NSP) business plan be approved.

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### 8. WEST MIDLANDS RAIL DEVOLUTION PROPOSAL LETTER OF SUPPORT

The Cabinet was invited to consider a proposition to devolve part of the rail network in the West Midlands and the requirement to support the on-going work with the Department for Transport (DfT) with a non-binding letter of support from Solihull MBC.

The Cabinet Member for Transport and Highways reported that West Midlands Rail (WMR), a partnership of fourteen local transport authorities had been invited by the Secretary of State for Transport to submit a proposal for the devolution of the specification and management of local rail services. The proposals would split the existing London Midland franchise to create a West Midlands Rail Contract (WMRC) for the operation of local intra-urban rail services.

The contract would be democratically accountable to local members rather than central Government, as was the case at present. The devolved rail franchise would commence in June 2017 initially in partnership with the DfT. There would then be gradual and incremental reduced Whitehall control over the franchise term with full devolution anticipated around 2026. The residual London Midland services would continue to be specified and managed by the DfT. The proposal that was submitted to the Secretary of State would be non-binding and the starting point for more detailed discussions with the DfT. The DfT had indicated that it would need to make a decision in principle on whether to split the London Midland franchise in early 2015 in order to meet a June 2017 start for the WMRC.

The Cabinet Member informed Members that the current proposition had the potential, at this stage, to deliver significant passenger benefits both regionally and in Solihull. Cabinet was recommended to approve the signing of a letter of 'in-principle' outline support for the proposal and the outline governance arrangements, which included Solihull MBC forming part of WMR. Any support at this stage was non-binding but allowed the devolution proposal to move to the next stage of negotiations with DfT. If further negotiations with the DfT and/or development of the business case demonstrated that risks associated with devolution outweighed the potential benefits, the Council retained the right to withdraw from the WMR partnership.

In receiving the report Members still had some concerns regarding the risks to the Council, and wanted these to be clarified as much as possible. Members were comforted by the fact that the Council still retained the right to withdraw for the partnership if they wished.

#### **RESOLVED**

That the signing of a letter of 'in-principle' outline support attached in appendix D to the report for the proposal for rail devolution in the West Midlands and of the outline governance arrangements be approved.

### 9. HS2 - VERBAL UPDATE ON NEGOTIATIONS

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The Cabinet Member for Economic Development and Land advised that he had hoped to be in a position to provide Members with an update on HS2 Ltd response to the Council's "Asks", but the response had not been forthcoming yet.

However, he did advise that the Government had now published "Getting set for HS2: Responding to the HS2 Growth Task Force". The Director for Places briefed the Cabinet on the recommendations contained in the report. She confirmed that, the Government would provide £2.5m revenue funding for Birmingham Curzon Street and the interchange station in Solihull to develop HS2 Growth Strategies and local delivery bodies. In return, the GBSLEP would need to deliver interim HS2 Growth Strategies by Autumn 2014 and full business cases by Spring 2015.

### **RESOLVED:**

That the verbal update be noted.

## **10. ECONOMIC CONDITIONS**

The Cabinet was invited to consider a standard report on economic conditions in Solihull.

During a general discussion the Cabinet Member for Economic Development and Land advised that he would be asking Officers to put more resources into marketing the Borough and thus promoting inward investment. Other issues raised included homelessness, and the Cabinet Member responded referring to the policies the Council had in place for dealing with this issue.

### **RESOLVED**

That the report be noted.

## **11. POWERGEN SITE, HASLUCKS GREEN ROAD, SHIRLEY**

The Cabinet was:

- Provided with an update on the progress of negotiations between the land owners of the Powergen site;
- Invited to note and comment on the latest proposals included in the masterplan for the redevelopment of the Powergen site;
- Invited to consider the Heads of Terms for entering into a Development Agreement between the three land owners and approve further negotiations on the terms and drafting of the Agreement; and
- Invited to consider and comment on the proposed consultation process for further evolution of the masterplan for the redevelopment of the site.

The Cabinet Member for Economic Development and Land set out the background to the report, reminding Members that in December 2013, Cabinet

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approved entering into a Co-Operation Agreement between the land owners. The Agreement had recently been concluded and committed Shirley Advance to working up a draft masterplan, carrying out soft market testing and, where possible, agreeing Heads of Terms with potential purchasers of individual plots. The report presented to Cabinet went into further detail regarding these issues, including a confidential report from the Council's Strategic Land Advisors, CBRE. The CBRE report set out the outcome of the commercial negotiations on the Heads of Terms and the basis for drafting a Development Agreement between the three landowners.

A further report would be presented to Cabinet for final approval of the commercial and development terms and whether the requirements of best consideration had been met. It was proposed that Shirley Advance would act as development manager. The report also detailed the proposed consultation process which would be undertaken.

The Cabinet Member also took the opportunity to respond to the written submission made by Cllr T Hodgson. He commented that he noted that the Powergen site was a key priority to Cllr T Hodgson. However, the Council had said many times that until Parkgate was completed, the site could not be progressed. He noted that Cllr T Hodgson had consistently opposed Parkgate, and continued to criticise it. If Cllr T Hodgson and his colleagues continued to use the site as a political tool, as they had done with Parkgate, this would not help the community get rid of the eyesore. He advised that it was the people of Shirley that must be considered.

The Cabinet Member confirmed that in terms of local engagement and involvement he would be leading the charge. He had asked for a briefing to be set up before the last Council meeting, and he wanted this process of engagement to continue, and he hoped for cross party cooperation. However, he stressed that there were two key stages, where the Council did not have the freedom to manoeuvre. The Council only had a part interest in the site, with Asda and Shirley Advance owning other interests. Given this situation it would not be appropriate to carry out negotiations in a public arena, and it was unlikely the other parties involved would agree to this approach anyway. Secondly, during the planning stage, the usual statutory process would apply, including pre-consultations. He reiterated that he wanted to involve and engage as much as possible.

The Cabinet Member also commented on Green Party policies regarding the control of land, planning decisions, taxation of land values, reduction in parking provision and increased charges for parking and use of cars, and this was something which he would not be following.

With regard to capital receipts the Cabinet Member confirmed, that Council assets, are for the whole community. If the Council had applied the policy requested by Cllr Hodgson, then rich parts of the Borough would get richer, with no investment in areas such as Chelmund's Cross and Smith's Wood.

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In relation to the petrol filling station the Cabinet Members advised that this was a key demand of Asda, and would be subject to Planning Committee consideration. With regard to best value Shirley Advance were an experienced developer and own part of the site.

In conclusion the Cabinet Member stressed he welcomed a cross party dialogue on this important site.

Members made some further comments on the issues raised in Cllr T Hodgson's statement and the Cabinet Members response. In relation to the petrol filling station, Members agreed that it was disappointing that this was still a key demand for Asada, as they believed better use could be made of the proposed site. The Leader of the Council in summary stated:

- That any capital receipt would be treated as corporate asset;
- The Council's Strategic Land Advisors, CBRE would provide a view around best consideration for the Cabinet to consider;
- The report set out in paragraph 4.3 the consultation process to be followed;
- That it would be a matter for the Cabinet Member for Economic Development and Land to determine whether a Working Party would be required at some point;
- That the people of Shirley would want the Council to progress the scheme as quickly as possible, and would not appreciate the delaying tactics which had previously been employed by some Members in this area.

### **RESOLVED:**

- (i) That the latest proposals for the redevelopment of the Powergen site be noted;
- (ii) Agreed that further negotiations on the Heads of Terms for entering into a Development Agreement between the land owning parties and drafting of the Agreement be undertaken;
- (iii) That the consultation process for further evolution of the masterplan for the site be approved; and
- (iv) Agreed to receive a further report on the outcome of the consultation process and negotiations on the Heads of Terms prior to entering into the Development Agreement.

## **12. EXCLUSION OF THE PUBLIC AND PRESS**

### **RESOLVED**

That, in pursuance of Section 100A (4) of the Local Government Act 1972, the Press and the Public be now excluded from the meeting for

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the remainder of the business to be transacted, on the grounds that there would be disclosure to them of exempt information in terms of paragraph 3 of Part 9 of Schedule 12A to the said Act.

- 13. PRIVATE APPENDIX POWERGEN SITE, HASLUCKS GREEN ROAD, SHIRLEY**
- 14. CHELMUND'S CROSS VILLAGE CENTRE PHASE 2 HEALTH DEVELOPMENT**

7.35 pm