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Co-operative Council

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Borough of Telford and Wrekin

Business and Finance Scrutiny Committee

Wednesday 15 November 2023

6.00 pm

E201, Telford College, Haybridge Road, Wellington, Telford, TF1 2NP

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Committee Members: Councillors C R Turley (Chair), Z Hannington (Vice-Chair),
A J Burford, F Doran, G Luter, S Syrda and P Thomas

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	To receive an update on the Telford Land Deal and Growth Fund.	
5.0	Work Programme Review	17 - 22
	To review the updated Work Programme for the Business and Finance Scrutiny Committee.	
6.0	Chair's Update	

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BUSINESS AND FINANCE SCRUTINY COMMITTEE

Minutes of a meeting of the Business and Finance Scrutiny Committee held on Tuesday 20 June 2023 at 6.00 pm in The Telford Room, Addenbrooke House, Ironmasters Way, Telford, TF3 4NT

Present: Councillors C R Turley (Chair), A J Burford, F Doran and S Syrda.

Also Present: Councillor N A M England (Cabinet Member: Finance, Customer Services and Governance)

In Attendance: L Higgins (Service Delivery Manager: Customer Relationships & Welfare Services),
A Lowe (Director: Policy & Governance),
F Mercer (Director: Communities, Customer & Commercial Services), and
K Robinson (Democracy Officer (Scrutiny))

Apologies: Councillors Z Hannington, G Luter and P Thomas

BFSC1 Declarations of Interest

None.

BFSC2 Minutes of the Previous Meeting

RESOLVED – that the minutes of the meeting 12 January 2023 and the notes of the meeting 26 January 2023 be noted by the Committee.

BFSC3 Terms of Reference 2023 / 2024

The Director: Policy & Governance presented the draft Business and Finance Scrutiny Committee Terms of Reference.

RESOLVED - that the Terms of Reference set out in Appendix A of the report be approved.

BFSC4 Business and Finance Scrutiny Committee Work Programme

The Director: Policy & Governance presented the draft Business and Finance Scrutiny Committee Work Programme.

RESOLVED – that the work programme for 2023/2025 be approved.

BFSC5 Cost of Living Update

Members received an update on the cost of living crisis from the Director: Communities, Customer & Commercial Services and the Service Delivery Manager: Customer Relationships & Welfare Services.

The Cost of Living Strategy was published in October 2022 and sought to address the issue with a whole-council approach. An update report to Cabinet followed in March 2023.

Officers gave an overview of the general impact of the cost of living crisis nationally before presenting headline figures of the impact locally. The crisis had been felt across the Borough, but there were specific areas where the impact was more acute.

The Committee heard a summary of the work the Council had undertaken in various key areas such as commercial and residential energy costs, council tax and business rates, food, warm spaces, and assisting older residents to access support.

Looking ahead, Members were informed that the government funding which had supported a number of pieces of work was threatened. Funding used for supermarket vouchers and Discretionary Housing Payments could not be guaranteed beyond March 2024. While the Council offered a good level of continuing support, there were concerns about financial sustainability.

A discussion followed the presentation, with Members posing a number of questions.

What work was being done to plan beyond March 2024?

The Council started with a good level of core support and so was not in as bad a position as some authorities. The existing emergency welfare budget was strong but there would still be a step backwards without external funding. The Council had always looked at creative ways of applying for grants and had a strong relationship with the voluntary sector that it was able to mobilise rapidly. Funding had been set aside for warm rooms in the winter and Pride funding could be used to supplement this if needed.

Were there pressures on staff capacity?

There was a financial welfare team and this had been in place for a number of years. Many of the schemes discussed had been run for some time but all had seen an increase in demand. Expertise was needed to work on the welfare and benefits system, staff were specialised. The cost of living crisis had been challenging but the team had worked hard to make sure things were processed on the day they came in, working for a 24-hour turnaround.

Was there any support for those struggling with mortgage payments?

No direct support was available. Those on Universal Credit could get help on interest payments.

Had there been an impact on social housing demand and homelessness?

Homelessness was increasing. People were also approaching the Council for housing advice, seeking cheaper housing or approaching the crisis point of homelessness. More staff had been put onto the help lines for these issues due to the increased demand.

With demand likely to continue to rise, were there any services that would have to stop at a certain point to create capacity?

In terms of the contact centre, staff were already redistributed to areas of highest priority. It was possible to be flexible with how resources were deployed.

Following the discussion, it was:

RESOLVED – that:

- a) the Business & Finance Scrutiny Committee request that Cabinet write to the Government regarding the retention of discretionary funding;
- b) the presentation be noted.

BFSC6 Chair's Update

The next meeting of the Committee was scheduled for 27 September 2023.

The meeting ended at 6.52 pm

Chairman:

Date: Wednesday 27 September 2023

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Business & Finance Scrutiny Committee

The Telford Land Deal and Growth Fund

15 November 2023

The Telford Land Deal - Overview

10 year Partnership between Telford & Wrekin Council (TWC), Homes England and the Marches Local Enterprise Partnership (LEP)

- TWC responsible for practical delivery of Homes England land interests to the market
- TWC/LEP support of £19m Local Growth Fund investment
- Profit secured over and above agreed baseline values shared between the partners
- TWC profit share used to support strategic projects to drive growth

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Objectives:

Delivery of outputs (2800 homes, 8,500 jobs and 300,000sq.m. commercial floor space)

Acceleration of site disposal and inward investment



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Headline Achievements - Telford Land Deal

2015/16-2022/23

- Delivered the sale of a total of 32 commercial sites and 24 sites for residential development
- Gross sales income of £48.6 million.
- EFS of 163,871sqm (1,763,892sqft)
- Delivery of 2233 new jobs.
- 1535 new homes (684 affordable)

2022/23

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- Gross sale income of £6.6 million
- EFS of 19,883sqm (214,018sqft)
- Delivery of 307 new jobs
- 251 new homes (102 affordable)

2023/24 (forecast)

- Gross sale income of c.£12.2 million
- EFS of 45,167sqm (486,173sqft)
- Delivery of c.260 jobs
- 48 new homes



Majestic Way



Hortonwood West

Growth Fund - Headlines

2016/7 – 2022/23

£79.4m investment fund - estimated to deliver an ongoing gross return of 6.47%

Linked to long term lettings of between 8-15 years

Growth in business rates in excess of £600,000 p.a.

Supporting delivery/safeguarding of 1445 jobs

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Phase 1 - NiPark, Newport



Travelodge - Southwater



Tesco – Dawley (former Co-Op)

Benefits to Telford & Wrekin Council

- React quickly to the market
- Capitalise on investment demand
- De-risk sites for employment and residential development
- Provide bespoke buildings
- Invest in infrastructure and utilities
- Provides a unique 'package' service to investors:
 - Land Deal
 - Growth Fund
 - Invest Telford Pledge
- Income to support Council service delivery
- Job creation and safeguarding of jobs
- Fee income for Council services - biT/Planning

Land Deal Achievements



Plot 5B, Telford 54

- Site sold to existing adjoining occupiers - Torus.
- Supports a business expansion to deliver circa 1000sqm (10,763sqft) of additional employment floorspace
- Site completion June 2022.



Hortonwood Plot 11B

- Site sold to Portion Solutions Ltd
- Completed build of a 11,482sqm (123,591sqft) production and warehouse centre.



Hortonwood 11E

- Site sold HE2 Telford 2 GP Ltd
- Completed development of a DHL distribution centre totalling 6800sqm (73,194qft).

Land Deal Achievements



Majestic Way

- Sold to Living Space for a 39 unit development of affordable homes.
- Site completion April 2022.



Newcomen Way

- Sold to Keon Homes for a 55 unit development of affordable homes.
- Site completion October 2022.



Old Park 1&2

- Sold to Wrekin Housing Group for a development of 88 affordable homes.
- Site completion September 2023.

Growth Fund Achievements



Phase 2b Ni.Park

- Site supporting 3 x 1000sqm (10,000ft²) industrial units.
- Completed September 2023.



Station Quarter – Digital and Skills Hub

- Site supporting 4212sqm (45,500sqft) of floor space delivering education space.
- Work commenced Summer 2023.
- Site completion Summer 2024.



Orchard Business Park – Plot 12 Hortonwood 40

- Site supporting 24 industrial units totalling 5600sqm (60,000sqft).
- Site completion Sept 2023.



Hollinswood House – Community Diagnostic Facility

- Site supporting improved diagnostic capacity for SATH
- Landlords' contribution to fit out works
- Ground floor completed October 2023
- Completion Spring 2024

Land Deal Outputs

Output	Cumulative 8 year total
Employment floor space enabled	163,871sqm (1,763,892sqft)
Private sector investment	£440,850,872
Housing enabled	1535 (684 affordable)
Jobs Accommodated	2233
% of HE sites sold within Land Deal	56/79 sites 71%
Number of sites accelerated	8

**This slide shows cumulative figures for the Deal up to the end of 22/23.
Figures are reported annually to DLUHC**

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Business & Finance Scrutiny Work Programme

Issue / Topic	Brief Description	Directorate	Council Values/Priorities	Format	Meeting Comments
20 June 2023 – Committee Meeting					
Page 97	Terms Of Reference	Policy & Governance	A community-focussed, innovative council providing efficient, effective and quality services	Committee Agenda Item	Constitutional Function
	Outcomes: That the Terms of Reference be agreed for the 2023/24 municipal year.				
Page 97	Work Programme	Policy & Governance	A community-focussed, innovative council providing efficient, effective and quality services	Committee Agenda Item	Draft work programme delegated to each scrutiny committee by SMB on 6 June 2023
	Outcomes: The draft work programme be agreed.				
Cost of Living	To consider the cost of living strategy and the impact the crisis is having on residents and business in the Borough	Communities, Customer & Commercial Services	Every child, young person and adult lives well in their community A community-focussed, innovative	Committee Agenda Item	

			council providing efficient, effective and quality services			
	<p>Outcomes: The Committee requested that Cabinet write to the government to request the continuation of discretionary payments funding after March 2024.</p>					
15 November 2023 – Committee Meeting						
Page 18	Land Deal and NuPlace Update	To receive regular updates in relation to the Telford Land Deal and NuPlace, the Council's wholly owned quality lettings company.	Prosperity & Investment	<p>Every child, young person and adult lives well in their community</p> <p>Everyone benefits from a thriving economy</p> <p>A community-focussed, innovative council providing efficient, effective and quality services.</p>	Committee Item	To receive an update in relation to the Telford Land Deal and NuPlace, considering the financial impact on the Council and its value for money.
		<p>Outcomes:</p>				
7 December 2023 – Committee Meeting						
Corporate Grants	To consider the Council's corporate grants, does every pound the Council	Finance & Human Resources Communities, Customer &	A community-focussed, innovative council providing	Scene Setting Committee Item	To consider the Council's corporate grants and whether the money invested goes to frontline services.	

	invests go to the front line	Commercial Services	efficient, effective and quality services			
	Outcomes:					
9, 12, 16 January 2024 – Committee Meeting						
Page 19	Medium Term Financial Strategy (Budget)	Consultation on draft budget & policy framework proposals published by the Leader and any alternative proposals developed by opposition groups.	Finance & Human Resources	<p>Every child, young person and adult lives well in their community</p> <p>Everyone benefits from a thriving economy</p> <p>A community-focussed, innovative council providing efficient, effective and quality services.</p>		To fulfil the Committee's role as a consultee on the Council's draft budget and to consider any alternative proposals.
		Outcomes:				
5 March 2024 – Committee Meeting						
LEP – Annual Update AND Telford & Wrekin's approach to devolution	To receive the annual update from the Marches Local Enterprise Partnership and To consider Telford &	External - Marches LEP	Everyone benefits from a thriving economy		<p>Marches LEP representatives will be in attendance</p> <p>Finance & Human Resources</p> <p>Prosperity & Investment</p>	

following the Government Announcement on the future of LEPs	Wrekin's approach to devolution following the Government's recent announcement on the abolishment of LEPs				Neighbourhood & Enforcement Services
Outcomes:					
To Be Scheduled					
Pride in Your High Street	Reviewing post-Covid recovery and the impact of High Street improvement works and the Pride in Our High Street scheme.	Housing, Employment & Infrastructure	Every child, young person and adult lives well in their community Everyone benefits from a thriving economy A community-focussed, innovative council providing efficient, effective and quality services.		A workshop to assess the role of the scheme in post-Covid recovery and to consider the ongoing impact the scheme has on the Borough Town high streets.
Outcomes:					
Housing Investment - Annual Update	To review and consider proposals for the Housing Investment Programme, including key achievements	Prosperity & Investment	Everyone benefits from a thriving economy A community-focussed, innovative		Review and consider proposals for the Housing Investment Programme, assessing the performance and delivery of the programme in the past year.

	over the last year and the progress of the delivery of the programme.		council providing efficient, effective and quality services.		
	Outcomes:				
Commercial Contract Update	To receive an annual update on the Council's commercial contracts, including waste & recycling and grounds & cleansing.	Neighbourhood & Enforcement Services	Everyone benefits from a thriving economy A community-focussed, innovative council providing efficient, effective and quality services.		To receive an annual update on the Council's commercial contracts and consider the services' value for money.
	Outcomes:				

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