

Date: Thursday, 17 July 2025

Time: 10.00 am

Venue: The Council Chamber, The Guildhall, Frankwell Quay, Shrewsbury, SY3

8HQ

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COUNCIL

TO FOLLOW REPORT (S)

RESPONSES TO PUBLIC & MEMBER QUESTIONS

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PUBLIC QUESTIONS COUNCIL 17 JULY 2025

1 Question from Andrew Sceats

'The Council decided to found, wholly own and supervise the activities of Cornovii Developments Ltd, a local building company.

The Council should now consider investigating whether Cornovii's two main aims - (1) meeting unmet housing need and (2) providing financial assistance to the Council, are being achieved?

(1) Other companies currently concentrate on building the more profitable 3-5 bedrooms houses. When Cornovii was founded, the Council waiting list showed a 50% need for one bedroom, 33% for 2 bedrooms and 3% for 4 bedrooms plus. Also there were identifiable groups needing accommodation including; young people, old people and those with differing disabilities and health issues.

From statistics provided by Cornovii it seems not to have provided an alternative model to other providers, concerning target groups.

(2) There were significant start-up costs and ongoing costs, so instead of Cornovii providing a financial contribution to the Council, it has been steadily increasing its loan liability to the Council. Cornovii had a borrowing facility of £14 million at 31/3/2020, £42 million at 31/3/2024 with a projected peak loan debt of £56.165 in December 2027. These amounts are within a Council loan facility of £69 million!

These figures don't include the cost of Cornovii projects using Council-owned sites which occasionally have been funded by share issue in Cornovii (which is its own company!!).

The term 'financial assistance to the Council' was both unquantifiable in target amount and length of time it was to be achieved'.

Response from Cllr James Owen, Portfolio Holder for Housing and Leisure

1. Cornovii Developments Ltd was created with a clear social purpose: to complement the housing market by delivering homes that meet local needs—especially where the market has historically underprovided. Council recognises the importance of smaller homes and inclusive design, and Cornovii's business plan reflects this. While early delivery focused on establishing a viable pipeline and securing planning consents, the new

- administration is now reviewing Cornovii's housing mix to ensure it continues to align with the original vision. This includes:
- Evaluating the proportion of 1- and 2-bedroom homes being delivered and planned
- Assessing how schemes support specific groups, including older people and those with accessibility needs
- Reinforcing social value outcomes of future development.

This review will help ensure Cornovii remains a responsive and community-focused developer, aligned with our upcoming new wider housing strategy.

- 2. Cornovii's financial model was designed with long-term value in mind. Like many development companies, it requires upfront investment to acquire land, secure planning, and deliver homes. The increase in borrowing reflects the company's growth and the Council's confidence in its delivery capacity. Importantly:
- All borrowing is within the approved £69 million facility and is subject to robust governance and risk management
- Cornovii is currently in the growth phase, however, both financial and wider economic benefits have been flowing back to the Council in line with company's business plan since its inception. It is expected to reach peak debt in December 2027 at which point (subject to any future changes to the plan and company strategy) the debt profile will start to decrease as the net shareholder funds position moves to a surplus.
- The Council is working to define and publish clearer metrics for "financial benefits," including:
 - Dividend potential
 - Land value uplift
 - Social return on investment for example affordable housing and local employment.

The Council remains committed to transparency and will continue to monitor the company's performance closely to ensure it delivers both financial and social value for Shropshire residents.

2 Question from Tamarin Bibow

1. I have lived in Ruyton XI Towns with my husband and young family since 2021.

- 2. We live on part of the B 4397 heavily used by traffic of all sorts heading to and from the industrial estates and business parks on the North side of Shrewsbury as a "rat run".
- We suffer personally, as do may local residents, from serious pollution, both noise and air quality resulting from traffic forced to come through our village. Most of these vehicles use the rat run only because drivers see no practical alternative.
- 4. But as a Shropshire resident with a local business, children to take to school etc I'm just as concerned about the wider impact of of cancelling the North West Relief Road. If the project is not delivered what other options are there for relieving congestion, not just in the rural villages surrounding Shrewsbury but in the town itself?
- 5. Please can the Council Leader now supply more detail as to:
 - the next steps
 - what measures the new Administration plans to take to divert traffic away from existing rat runs and from Shrewsbury town centre.

Response - Cllr David Vasmer Portfolio Holder for Highways and Environment

With the decision to pause delivery of the North West Relief Road, the next steps for the council are to ensure that the financial implications of this are managed effectively'

As regards future options to address town centre congestions and rural rat running, it remains the case that there are many effective interventions that can still be pursued.

With rural traffic management, the continuing assessment of impacted towns and villages for weight, width and speed restriction orders where appropriate will continue, as will close working with National Highways, where there is a need for ongoing coordination between the management of their network in Shropshire and the local highway network. The council will also continue to work closely with National Highways on their emerging future investment plans, in order to ensure that the capacity for effective cross county movement is provided on their network. This will directly assist in removing the need for local rat running for both car and freight journeys.

In terms of Shrewsbury town centre, there are a number of potential schemes and approaches contained within the developing Shrewsbury Moves strategy. In looking

at enhancements to public transport, and active travel measures and facilities (walking and cycling), the council is committed to continuing to work with partners to rebalance the town centre traffic mix, and in doing so, address the current congestion challenges.

3 Question from John Palmer

In April 2009 the newly-formed Shropshire Council steered its exciting new £37m entertainment venue Theatre Severn into full activity, becoming a regional beacon, attracting residents and visitors to vibrant Shrewsbury, a town renowned for its culture and heritage. Promised as a facility for all the community, it includes the Walker Theatre, which has a standing capacity of 500.

In recent years, the Tories' laissez faire disinterest in the venue's social responsibility to serve all ages, has allowed market forces to narrow the breadth of music gigs in the Walker Theatre to mostly lame tribute shows and beardy trad folk, aimed at a moneyed mature audience demographic. The stark feeling is: "Under 30? You're not catered for - as punter or local artist".

Finances are tight. Yet this new, newly progressive Council surely has a perfect chance to seize the reins?

Will this Council suggest raising middle-class mainstream main theatre performance ticket prices, thus allowing subsidising of low-cost entry to gigs by more dynamic, fresh touring bands, with support from the best burgeoning talent amongst young local artists? Given such showcase opportunities, some young local artists may well progress to offers of European tour slots: cultural exchange to make the far right isolationists weep! How about it?

Response – Cllr James Owen, PH Housing and Leisure

Theatre Severn prides itself on providing a busy and varied programme of events for all. With over 647 ticketed events in the last financial year, the live music programme is extensive and makes up a large proportion of these (approx. 100 shows). Admittedly standing gigs are far less frequently staged than seated, but this has been as much for logistical reasons as financial. In January 2025, Theatre Services invested in a new P.A. system for the Walker Theatre which will enable the staging of standing gigs without the costly need to hire in sound equipment and engineers. This investment has also enabled standing gigs to be staged within a one-day timeframe, whereas previously this has required a minimum of two days from the programming diary.

With this new investment in place, viability has improved, and there are plans to extend our programme of live music gigs aimed at a younger audience. However, band tours tend to book much later than theatre shows, therefore achieving this relies on tour schedules and Theatre availability aligning. Over the last 10 years, we've staged 23 different standing gigs (over 6,000 tickets sold) for a variety of bands attracting audiences of all ages.

2024/25 was Theatre Severn's most successful year to date, generating over £7m in income, attracting a record attendance of 224,595 to a ticketed event (which is a 12% increase on 2023/24) and a generating a surplus of over £700k.

It is worth noting that there are other established venues in Shrewsbury already catering for this market, with an extensive programme of live music events at Albert's Shed and The Buttermarket.



MEMBER QUESTION COUNCIL 17 JULY 2025

1 Question from Councillor Susan Coleman

Connect on Demand Service

This service is increasingly successful since its introduction by the last administration. It was scheduled to be extended to a number of villages in Severn valley namely Atcham, Buildwas Leighton, Eaton Constantine, Uppington and Wroxeter areas

On enquiry as to the dates for this I was told by officers "while there is interest in expanding the service across Severn Valley, any rollout is contingent on funding from the Department for Transport (DfT) via the Bus Service Improvement Plan (BSIP)" submitted to UK government in June 2024

It was reported recently that the number 20 Radbrook bus service in Shrewsbury will continue to operate for at least another year thanks to Government bus service improvement funding awarded to Shropshire Council

Does this mean that the BSIP has been accepted and the funding is now available to extend the Connect On Demand services through places outside Shrewsbury such as into Severn Valley?

Response from Cllr Rob Wilson, Portfolio Holder for Transport and Economic Growth

Shropshire lost more miles of bus routes than any other county in England between 2015 and 2023, with a decline of 63 per cent compared to just 19 per cent across Great Britain.

In 2022, Shropshire Council bid for £98 million in Bus Service Improvement Plan funding to allow for better, greener services for cheaper fares, Sunday services and real time passenger information. But this this was rejected by the previous Conservative Government.

Shropshire Council's latest Bus Service Improvement Plan set out a £73.5m vision for buses in the county – this included £14.5m for a countywide rollout of Connect-On-Demand. Despite the new Government saying that funding for rural areas would be 'unprecedented', Shropshire Council's £4 million out of a national allocation of £1 billion is the 53rd lowest of 73 allocations.

This funding allows the local authority to support existing services through revenue support for 12 months which ensures local bus services can continue to operate in the county. The council could use this to create new bus services, but the cost to launch an additional zone on Connect On-Demand would require significantly more than the 2025/26 allocation received.

Villages within the Severn Valley area are included within the scope but we are currently awaiting a decision from the Department for Transport on future funding so that we can realise these ambitions - they have not confirmed with any rural local authority as to if and when this funding will be received.

2 Question from Councillor Brendan Mallon

In recent years, Shropshire Council has begun approving Battery Energy Storage Systems. In the short time that this technology has been rolling out, these systems have demonstrated a significant fire risk nationally and globally, with a clear correlation between the capacity of the installation and the level of risk. Such fires produce highly toxic gases and widespread heavy metal fallout. These fires cannot be extinguished, burn for many hours or days and require rapid fire service response to prevent spread through adjacent battery units within a site.

Currently the UK has no published requirements or standards for this technology. The National Fire Chiefs Council publishes guidance which has clearly been ignored in the design of some of these sites, specifically the requirement for two, separate access points for fire response. Some sites are immediately adjacent to major roads, potentially causing traffic chaos and a greatly delayed fire service response in the event of an incident. Applications never provide detailed specifications, identifying the model of battery equipment to be installed.

What regulatory standards are the council applying when they approve these sites to ensure the safety of citizens and first responders and to protect the environment from long term heavy metal pollution in the event of a fire? Are environmental impact assessments of the pollution from potential fires being made? Have Emergency Planning officers conducted any contingency planning for such an event? Is the council coordinating with local residents, businesses and other activities to create evacuation plans?

Response - Cllr David Walker - Portfolio Holder for Planning

As this question relates to certain live planning applications, I must be cautious in the way that I respond to you.

Battery energy storage sites (BESS) are a new technology, with guidance from the HSE and National Fire Chiefs Council (NFCC) on environmental and emergency access considerations. Local planning authorities decide on applications based on their local plan and the NPPF, which supports renewable energy and its role in achieving net-zero targets. BESS enhances energy flexibility and decarbonization. While no specific policies govern BESS siting, the NPPF advises identifying suitable areas for renewable energy, considering environmental impacts and community views.

The NFCC's expectation is that a comprehensive risk management process must be undertaken by operators to identify hazards and risks specific to the facility and develop, implement, maintain and review risk controls. From this process a robust Emergency Response Plan should be developed. Local authorities must publicize planning applications, allowing community feedback, and while fire and rescue services are not statutory consultees in these matters, government guidance encourages their involvement in the planning process for BESS installations. I can confirm that Shropshire Fire and Rescue Service have been consulted on all the of BESS applications that are currently live. As members are aware all the details of these planning applications, and relevant consultee responses can be viewed online.

The live planning applications will be determined by officers unless the committee process is triggered, either by the parish council, local member or planning and development services manager as appropriate. Whoever determines such planning applications, must have due regard to the emerging policy in the NPPF, as well as example appeal decisions which is standard practice for new development types as interpretation of the guidance is undertaken by the Inspectorate and the courts. The case officer will address any issues, where they are material to planning, in their determination report and these will be specific to the site under consideration at the time, each case is taken on its merits.

The developer is responsible for ensuring that all aspects of legislation are complied with in designing and operating their equipment, once the planning applications are determined and if approved then other legislation would be relevant to the development process and continuing safety going forward.

Emergency planners in local councils like Shropshire play a statutory and strategic role under the Civil Contingencies Act 2004. Their responsibilities span preparedness, response, recovery, and resilience-building across the organisation and community and they work with multi-agency partners during major incident responses and supporting communities to recover. Key partners include:

Local Fire and Rescue Services: Lead firefighting and rescue operations.

- Police Departments: Maintain order, manage traffic, and provide security.
- Ambulance Services: Provide medical assistance and transport patients.
- Environmental Agencies: Address hazardous material spills and pollution control.
- Public Health Organizations: Monitor public health risks and coordinate with healthcare providers.

Fire authorities lead responses to major fire incidents. Smoke and other pollution from fires may negatively impact on infrastructure and properties. A significant incident could prompt a multi-agency response which could require road closures, diversions, and in some scenario's evacuation which in turn would activate emergency plans.

3 Question from Councillor Carl Rowley

I would like to request that the council provide a detailed financial breakdown of the expenditure on the Northwest Relief Road (NWRR) project. Specifically, I seek clarity on the allocation of the £39 million spent to date.

As we know, the initial budget allocations were as follows: £6 million for planning and design, £8 million for land acquisition, and £5 million for project management and contingencies, totalling £19 million. Consequently, there is an apparent additional expenditure of £20 million.

While I understand that price increases may have inflated these initial quotes, it is also worth noting that £8 million would have been saved due to the absence of compulsory land sales. Therefore, it is crucial for us to understand the allocation of these funds, particularly since no construction has commenced and is not expected to start soon.

It is imperative that both councillors and the general public comprehend the financial mismanagement brought upon this council by the previous administration regarding this project

Response – Cllr David Vasmer PH for Highways and Environment

Expenditure on the North West Relief Road is set out in detailed tables which will be circulated by the end of the meeting. This shows total spend from inception to date, following the pause of the scheme on 23 June. I will not read out all the figures but the totals for sources of financing are as follows:

LEP £4.2m

Department of Transport £20.5m

Capital Receipts £6.7m

CIL £5.3m

S106 £3m

And for spending the total spend on the Oxon Link Road was £7m and on the North West Relief Road £32m making a grand total of £39m for the whole project.

I would confirm that following reviews by internal and external audit significant governance issues were identified with project management but there have been no findings of 'financial mismanagement' as suggested in the question.

However, it was reckless of the previous administration to continue spending on the North West Relief Road in the absence of an official guarantee of more funding over the £54.4m originally promised when the cost of the project had almost tripled.

Annual financing of	combined NV	VRR/OLR Project				
Spend Year	LEP	DfT LLM	Cap Receipts	CIL	S106	Total Financing
2014/15	0.118	0.000	0.000	0.000	0.000	0.118
2015/16	0.045	0.000	0.000	0.000	0.000	0.045
2016/17	0.308	0.000	0.000	0.000	0.000	0.308
2017/18	1.089	0.000	0.000	0.000	0.000	1.089
2018/19	1.184	0.000	0.000	0.000	0.000	1.184
2019/20	0.305	2.797	0.000	0.000	0.000	3.102
2020/21	1.152	2.627	0.725	0.062	0.000	4.566
2021/22	-0.001	5.021	2.472	0.207	0.000	7.699
2022/23	0.000	3.962	1.352	0.031	0.141	5.486
2023/24	0.000	2.414	4.749	0.000	0.000	7.163
2024/25	0.000	3.645	-3.124	5.000	2.156	7.677
2025/26 to Period 3	0.000	0.000	0.508	0.000	0.000	0.508
Total	4.200	20.466	6.682	5.300	2.297	38.945

Spend Summary	OLR	NWRR
	£(m)	£(m)
Pre-constructions Contracts	0.554	7.975
Utility Diversion Works	2.022	0.076
Land Costs - Acquisitions/Access	0.64	0.326
Legal Fees	0.001	0.644
Planning Fees	0.004	0.054
Designer Engineer Consultants Fees	3.729	21.875
Shropshire Council Project Management	0.097	0.892
Communication Fees	0.001	0.055
	7.048	31.897