

**MEMBERS' QUESTIONS**

**AGENDA ITEM 6**

**QUESTION 1**

**MR MANSEL WILLIAMS** will ask the following question:

Is there a severe shortage of Public Housing for Rent and Affordable Housing in Shropshire? If so, why is such housing the first casualty when developers seek to amend housing schemes?

**MR MALCOLM PRICE**, the Portfolio Holder for Strategic Planning, Planning, Housing and Commissioning (Central) will reply:

Whether there is a severe shortage of **public** housing for rent, is a separate matter of debate, but there is without doubt a shortage of affordable properties of all tenures (for sale or for rent) within Shropshire.

Of Shropshire's 135,500 homes, 4,240 (3.1%) are Council owned (ST&RH) and 13,458 (10%) are Housing Association owned. This equates to approx.13% of the housing stock.

Shropshire has a higher ratio of house prices to earnings than the average for England, at 7.62 times median earnings compared to the national average of 6.74, in some rural areas the ratio is as high as 14:1. This means that 80% of earning households in Shropshire cannot afford to buy an entry level property (entry level = 2 bed terraced).

There are currently 4000 households registered on the Councils housing waiting list seeking affordable housing and the combination of these factors contribute to the estimated annual shortfall of around 1500 affordable homes in Shropshire.

This deficit has to be viewed in the context that Shropshire's adopted Core Strategy 2006 – 2026 and the historical annual delivery of ALL housing in Shropshire equates to around 1200 homes per year. Clearly affordability is a critical housing issue, not just locally but regionally and nationally.

The delivery of affordable housing on a development is via two routes, principally as a planning policy obligation on a development site through a s106 Affordable Housing Contribution (AHC) and secondly as a grant funded rural exception site.

Either way, the delivery of an affordable home is expensive and as an AHC is paid for from the cross subsidy of profits from the developers open market

houses on the site. Prior to the Oct 2007 financial calamity, the local District and Borough Councils were able to achieve levels of 35% - 50% affordable housing delivery on certain sites. Since then the viability of sites has fundamentally altered as open market values fall (Gross Development Value) and existing planning permissions and sites under construction with AHC's at those previous levels, became undeliverable. Shropshire had many sites closed down and even more mothballed.

At present, the viability tested AHC is set at 3 levels across Shropshire (10, 15 & 20%) to accurately reflect local housing market areas.

The importance of house building in terms of a wider economic recovery are well documented, but their importance to the local economy is fundamental, with industry estimates for every £1.00 spent on the site generating between £3 – £7.50 locally.

To keep developers on site or to encourage them to open up a mothballed site, the Council recognised the imperative to review the planning obligation that most impacts on the developer viability which is unfortunately the AHC (Type and Affordability of Housing SPD refers). This is a detailed open book approach where the scheme costs are analysed, either in house or using the District Valuation Service for larger complicated sites and the Council has renegotiated on over 40 development sites.

Since 2010, the importance of house building and "Getting Britain Building" has been recognised by Government as a top priority. Initiatives such as the New Homes Bonus (NHB) which incentivises Councils by paying a grant for every new home built (approx. £1400.00 x 6yrs) has been introduced, the new NPPF swept away much of the previous planning guidance and stated :

### **NPPF Ensuring viability and deliverability**

Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such a requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.

Guidance published by the Department for Communities and Local Government (DCLG) in April 2013, "**Section 106 affordable housing requirements: Review and appeal**" states :

Unrealistic Section 106 agreements negotiated in differing economic conditions can be an obstacle to house building. The Government is keen to encourage development to come forward, to provide more homes to meet a

growing population and to promote construction and economic growth. Stalled schemes due to economically unviable affordable housing requirements result in no development, no regeneration and no community benefit. Reviewing such agreements will result in more housing and more affordable housing than would otherwise be the case.

New Permitted Development Rights (PDR's) allow developers to convert Office space to residential and rural barns to residential without having to make an AHC. The Planning Minister (Nick Boles) most recent Ministerial statement included a review of AHC's on any of less than 10 homes because : "such charges create a disproportionate burden for development"

This was further mentioned in the Queen's speech at the opening of Parliament.

The Council has strongly objected to this national consideration via the consultation process, by evidencing that you can still achieve open market and affordable housing delivery if you understand the local housing markets, site viability and seek realistic, achievable planning obligations.

Part of the Councils evidenced response highlighted the level of NHB we have received, Shropshire's Year 4 annual award (£1.55m) was the 29th highest nationally and the cumulative award of £5.758m (years 1 – 4) places Shropshire within the top 30th of the published table of the 325 Councils. Only the London Boroughs, some larger UA's, Metropolitan and City Councils received more. 59 Councils have yet to accumulate a total of £1.0m, and several Councils have had a Year 4 annual award of less than £80,000.

## **QUESTION 2**

**MR ROGER EVANS** will ask the following question:

### **Health and Wellbeing Boards**

The Health and Social Care Act 2012 establishes health and wellbeing boards as a forum where key leaders from the health and care system work together to improve the health and wellbeing of their local population and reduce health inequalities. Health and wellbeing board members will collaborate to understand their local community's needs, agree priorities and encourage commissioners to work in a more joined-up way. As a result, patients and the public should experience more joined-up services from the NHS and local councils in the future.

Each top tier and unitary authority will have its own health and wellbeing board. Board members will collaborate to understand their local community's needs, agree priorities and encourage commissioners to work in a more joined up way. As a result, patients and the public should experience more joined-up services from the NHS and local councils in the future.

Health and wellbeing boards are a key part of broader plans to modernise the NHS to:

- ensure stronger democratic legitimacy and involvement
- strengthen working relationships between health and social care, and,
- encourage the development of more integrated commissioning of services.

The boards will help give communities a greater say in understanding and addressing their local health and social care needs.

Many Health and Wellbeing Boards include in their membership, as full members of the board, elected members from opposition parties. Shropshire does not.

Can the portfolio holder please provide a list showing which boards only have members from the cabinet and which ones have as members representatives from other political groups and so help ensure the aim of stronger democratic legitimacy and involvement actually takes place.

**MRS KAREN CALDER** the Portfolio Holder for Health will reply:

Thank you for your interest in the Health and Wellbeing Board. Attached for your reference please find a document that summarises the HWBB Membership for the West Midlands Area. Unfortunately no such document exists for the 150 Boards across the country.

The Board keenly welcomes elected members and the public to attend meetings and to ask relevant questions (and several members do regularly attend as observers and participate as appropriate), and we would be very pleased to invite you to our upcoming meetings and have also attached a list of meeting dates for your reference.

During 2013/14 the Shropshire HWBB made excellent progress on developing relationships across health and social care and made some key decisions for taking forward integrated working in Shropshire. A summary review of the Shropshire HWBB for 2013/14 that was presented to Health and Adult Scrutiny can be found at: <http://shropshire.gov.uk/committee-services/ieListDocuments.aspx?CId=470&MId=2664&Ver=4>

However the Board also recognises that there is much more to be done as a Board to ensure that Shropshire people lead healthy lives with equitable access to health and social care services when they need it. As such during this year we will be revisiting our terms of reference which includes membership, we will also be updating our Joint Strategic Needs Assessment and Health and Wellbeing Strategy. We will ensure that they Strategy is fit for purpose to lead as system driver for all the enormous amount of change and transformation that is required of our health and social care economy. To make certain that we are engaging in best practice and developing as and

effective HWB Board, we have requested a Peer Challenge from the LGA HWBB Development Programme.

### **QUESTION 3**

**MR ANDY BODDINGTON** will ask the following question:

Ludlow is a historic town heavily dependent on tourism for jobs. It is a town with an elderly population, many of whom rely on public transport to get about. Our buses are not just used by the elderly and visitors. They are used by pupils and students, workers and shoppers.

After the previous operator withdrew at the end of January 2014, there was a chaotic scramble to get a replacement service in place, even though he had told the Traffic Commissioners that the 722 service was to terminate on 27 November 2013.

The new town service operated by Minsterley Motors has been welcomed by many in Ludlow. The 701 service has coped well and is often full. The 722 service has been building passenger numbers steadily. But the 722 has to serve the park and ride as well as residents. As passenger numbers have increased, the service has suffered from growing delays due to the time it takes passengers to board and alight.

We were told on June 28th that from on 1 July, the 722 was to be reduced to an hourly service in many parts of the town at very short notice and zero publicity.

Shropshire Council's Bus Strategy for Shropshire 2011–2016 says that Group 2 market towns, including Ludlow, should have a bus running on primary routes every 30 minutes from Monday to Saturday between the hours of 7.30am and 6.00pm. From 1st July we some of our primary routes we are now told will only run once an hour which is in direct conflict with this policy.

Although the 722 run hourly on most residential streets, it still serves the park and ride every half an hour. As far as I know, we are the only town in Britain not to have a 15-minute park and ride service. We had a 15-minute service only a year-and-a-half-ago.

My questions are:

- 1) Did the portfolio holder assess the cost of providing a third bus dedicated to the park & ride in order to alleviate passenger pressure on the 722; and what would have been the cost of this service?
- 2) Did the portfolio holder assess how the costs of a dedicated park and ride service could be defrayed by income from passengers, for example by charging pass holders a fare, as operates in Shrewsbury?

- 3) What consultation did the portfolio holder hold with local members, Ludlow Town Council and Ludlow residents about the changes to the 722 service which came into effect on 1 July 2014?
- 4) What notice was given to the Traffic Commissioners of the change in service on 1 July?
- 5) Did the Shropshire Council tender for the 722 service that commenced on 1 July in line with best practice in procuring subsidised local bus services?
- 6) What subsidies will be paid to Ludlow's 701 and 722 services after 1 July?

**MRS CLAIRE WILD**, the Portfolio Holder for Highways and Transport, will reply:

My responses are as follows:

- 1) The Town service in Ludlow pre January 2014 was operated commercially. Whilst this service was operated commercially, the Council and other bodies received numerous complaints regarding poor service, declining passenger confidence and poor timekeeping. In January 2014 the operator decided to de-register this commercial service at short notice. At that point the Council agreed to step and support a subsidised service, operated by Minsterley Motors. Passenger numbers at this time were at a low level because of previous passenger experiences and there would not have been sufficient justification for an additional bus at this time. Due to the success of the new Council subsidised service, passenger numbers have increased substantially and we have asked the bus operator to provide an indicative price for an additional vehicle and we are awaiting their response. Although it needs to be recognised that there are not additional funds available and any extra expenditure would have to be found from elsewhere within this public transport budget.
- 2) The Park in Ludlow is part of the town service operation, historical and current projected numbers do not suggest that a dedicated Park & Ride service would be viable through income from passengers alone. However, as I have indicated above, we have asked the operator to provide a costing for an additional bus in the existing network.
- 3) The timetable change from the 1 July 2014 was instigated by the operator as a temporary emergency arrangement, due to the increase in patronage in recent weeks, resulting in part from the successful growth in the service since January 2014. The operator is monitoring the current situation and will either revert to the original timetable if the option of an extra bus is viable or request that the emergency timetable is adopted permanently. It is perhaps helpful to explain that the registration of any subsidised or commercial service is a matter of a legal undertaking between the operator and the regulator of bus services, the Traffic Commissioner, failure to adhere to a registered timetable would place the operator in breach of this agreement. Hence the aforementioned emergency arrangements put in place by the operator.
- 4) As indicated above, this is a matter between the operator and the Traffic Commissioner

- 5) As indicated above this is a temporary emergency arrangement instigated by the operator to address timing issues and therefore there is no requirement to tender.
- 6) The subsidy will remain unchanged (current forecasted net subsidy of £100k pa) during the temporary period, if however, an additional vehicle is deemed appropriate a tender and an amendment to the subsidy will be put in place.

#### **QUESTION 4**

**MR MILES KENNY** will ask the following question:

With staff cut backs and a reduced budget how are you dealing with the current backlog of repairs? Will you be able to catch up or will our highways, footpaths and cycleways continue to deteriorate and how are you going to ensure even low level maintenance will be carried out?

**MRS CLAIRE WILD**, the Portfolio Holder for Highways and Transport, will reply:

The Environmental Maintenance Service, has reduced its direct employee head count , most recently by the Voluntary Redundancy process. Whilst directly employed staff have left the service, this does not account for the redesign of services that has been undertaken, and the mixed economy model that Environmental Maintenance utilises, in order to deliver its service and outcomes. This mixed economy model can be described as using one or a combination of all three approaches detailed below :

1 Directly employed Shropshire Council ( SC) staff delivering or managing services, because this is the most efficient method

2 Outsourced services , such as the Engineering Consultancy (Mouchel), Direct operational services , ( highways, street cleansing, vehicle maintenance ) etc. and staff transfers to a service provider, because this is the most efficient model.

3 A hybrid where services and managed outcomes are delivered by an external service provider, whom reports, acts in place of a direct employee , but is accountable to SC

Environmental Maintenance utilises and manages all three models above separately and interchangeably. This allows skills, efficiency of delivery, management of risk , and cost management to be delivered and modern methods of public service to be provided via work practices. So whilst the direct head count may be less, the quality , cost and efficiency of staff has provided benefits, as we strengthen a Commissioning and mixed model approach.

This has been recognised most recently where SC has recently received a national award for our approach and concept of Hedge to Hedge, that encapsulates the above model.

Addressing the point made regarding backlog of repairs, the team is now operating a new way of delivering services. This year has seen the introduction of e Permit system, and a move away from the Notice system. Major schemes now require a minimum of three months' notice, for a Permit to be assessed etc. The service has had to adjust to this, and a number of large programmed schemes are now "arriving on the ground".

It should be noted that SC in this financial year, has attracted additional finance (over and above its existing budgets of £25 million) of £1,783,118.00 + £ 2,243,888.60 = £4,027,006.00 in external funding for pot hole repairs - this is to either undertake permanent repairs, or prevent pot holes occurring in the first place on the highway network. This additional and non-displacement funding has to be spent by March 2015. Government has recognised that the two severe winters have deteriorated many highway networks nationally hence the additional cash injection that has been received to help alleviate these issues.

A full programme of works is being prepared, funded from these two financial awards, which will be a mixture of tender work, direct delivery and sub contract delivery. These schemes and the existing budgeted schemes will be developed on the ground between now and March 2015. The councils web site will provide updates and information of scheme delivery as the programme progresses. There is no significant backlog of works that work programming over the coming months wont resolve.

Thus in excess of £4 million plus existing capital and revenue budgets in the region of £25 million , will provide a revised perspective early in the new year. The programme is challenging, but is active, and money has already resulted in action on the ground - we are not aware that footpaths, cycle ways and the highways network is deteriorating.

Finally, in relation to reduced budgets and excluding the previous points mentioned regarding external finance attracted into this authority and that the service utilises a mixed economy approach, further market testing and competitive pricing has been utilised to make the service more efficient. An example of this is the Engineering Consultancy contract which will soon be going to the Market with key services and functions to be delivered. This approach will test the market, for specified rates and costs for service provision. This is likely to lead to further efficiencies across the service.

## **QUESTION 5**

**MR ROGER EVANS** will ask the following question:

The following resolution was passed unanimously by full council on 18<sup>th</sup> April 2013 about a non-executive Member group [on the recommendation of the Scrutiny Review Task and Finish Group] ,

- (h) That a non-executive Member Group be introduced for a regular scrutiny session, informed, in part, by Cabinet's Forward Plan, between the Scrutiny Chairs and all non-Executive Members to allow a two-way exchange of items for potential scrutiny intervention/consideration. This will provide clarity of the process to be followed by all Members to promote items for inclusion on scrutiny committee agendas and particularly to encourage non-scrutiny Members to get involved.

No meetings of this non-executive Member Group have yet taken place and no meetings yet appear in the future council diary. This was a resolved decision of the council yet 15 months later nothing has been arranged. Can council be told when the long awaited first meeting is to finally take place, if it isn't then can council be told why its decisions are being ignored.

For information. it is noted by many that ordinary public Scrutiny Committee meetings also continue to be cancelled by their chairman.

**MR MARTIN BENNETT**, Chairman of the Performance Management Scrutiny Committee, will reply:

The introduction of a non-Executive Group has been the focus of consideration with a particular emphasis on where and when it should be located in the Municipal year and the committee cycle.

The past 12 months has seen the development of the Council's Integrated Business Plan and the Financial Strategy. With the Forward Plan these documents provide the basis for the development of the Scrutiny Committee work programmes.

Current planning includes timing these meetings at six monthly intervals to allow sufficient time for Scrutiny Committees to undertake work and pursue their agreed work programmes. This timescale would also enable the Council's change programme and financial strategy to progress which would inform the decisions in the Forward Plan.

They would take place in March or April of each year to inform the Scrutiny Work Programmes based on the Business Plan and Financial Strategy agreed at the February Council and any subsequent update of the forward plan. The second session would take place in October or November and would be able to draw on progress with delivering the Business Plan and

Financial Strategy as well as any updates to the Forward Plan. Should this be confirmed as the way forward the next opportunity would be to hold the non-Executive Member Group meeting in the Autumn 2014.

The sessions would involve the non-Executive Members and the Scrutiny Chairs and would provide the forum to discuss work done to date by the Scrutiny Committees, and more significantly, the planned work.

As recognised in the Report of the Scrutiny Review Task and Finish Group it will be important to balance work programmes to deliver the priority pieces of work and make best use of the Member and Officer resource available to complete the work. In this case any topics proposed by the non-Executive Member Group would need to be agreed for inclusion in their work programme by the relevant Scrutiny Committee. They would also need to be worked through in full in discussion to ensure that the benefit of their being considered by a Scrutiny Committee is clear to the non-Executive Members. This is because any topics progressing to the Scrutiny Committee work programmes will need to be prioritised against existing topics, with the possibility that an existing topic may need to be removed to provide room.

## **QUESTION 6**

**MRS HEATHER KIDD** will ask the following question:

Preschools are a vital part of education in Shropshire and many are struggling with numbers and funding.

Who made the decision that preschool will be charged for support visits, especially around OFSTED. What are the rates charged and for what time period? Are there any exemptions?

**MRS A HARTLEY**, the Portfolio Holder for Children's Services, will reply:

We fully recognise the importance of high quality early years provision in preparing children for school and helping them achieve the best possible outcomes.

Early Years settings have paid for support for the past 3 years by way of a service level agreement (SLA) with the LA which also offered an entitlement to a certain level of CPD via training workshops and other similar events.

In April of this year the decision was taken to not offer the individual elements of that SLA separately allowing settings to decide which services they considered most important to them and then only pay for the service that they would need and use.

At this time the Department for Education also redefined the Local Authorities statutory duties so that we no longer have a requirement to monitor the quality of provision, Ofsted are the sole arbiters of the quality of provision and the

role of the LA is to ensure that we can commission sufficient places to ensure that parents can access their entitlement to free early year's provision.

As of April Early Years settings have been asked to pay an average of £35 for attending a half day training session and £120 to access a half days dedicated support from either a qualified teacher or development officer.

There are exceptions to this for settings who either fall into an Ofsted category of requiring improvement or inadequate for whom we will make an offer to provide some free support to meet the issues identified by Ofsted as needing attention. We may also offer support to some settings in periods of short term crises (e.g. due to low numbers, lack of committee members etc) in order to ensure that we can continue to fulfil our statutory duty to offer places in all areas of the county.