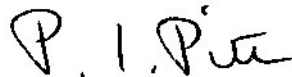


Date: 11 November 2008

Dear Sir/Madam

I hereby summon you to attend an extraordinary meeting of the **HINCKLEY & BOSWORTH BOROUGH COUNCIL** in the Council Chamber at these offices on **THURSDAY, 20 NOVEMBER 2008 at 6.00 pm.**

Yours faithfully

A handwritten signature in black ink, appearing to read 'P. I. Pitt'.

Pat Pitt (Mrs)
Corporate Governance Officer

PLEASE NOTE DAY AND TIME OF MEETING

A G E N D A

1. Apologies
2. To confirm the minutes of the meeting held on 28 October 2008. Attached marked 'C45'.
3. To be advised of any additional items of business which the Mayor decides by reason of special circumstances shall be taken as matters of urgency at this meeting.
4. To receive verbally from Members any disclosures which they are required to make in accordance with the Council's code of conduct or in pursuance of Section 106 of the Local Government Finance Act 1992. This is in addition to the need for such disclosure to be also given when the relevant matter is reached on the agenda.
5. Matter From Which the Public May be Excluded

To consider the passing of a resolution under Section 100A (4) of the Local Government Act 1972 excluding the public from the undermentioned item of

business on the grounds that it involves the disclosure of exempt information as defined in paragraphs 3 and 10 of Part 1 of Schedule 12A of that Act.

Hinckley Club for Young People Project: My Place Funding, Report attached marked C46. (Pages 1-76).

To: All Members of the **HINCKLEY & BOSWORTH BOROUGH COUNCIL**
(other recipients for information).

HINCKLEY AND BOSWORTH BOROUGH COUNCIL
28 OCTOBER 2008 AT 6.30 P.M.

PRESENT: MR. J.G. BANNISTER - MAYOR
MR. K. NICHOLS - DEPUTY MAYOR

Mrs. M. Aldridge, Mr. P.R. Batty, Mr. D.C. Bill, Mr. C.W. Boothby, Mr. J.C. Bown, Mr. S.L. Bray, Mrs. R. Camamile, Mr. M.B. Cartwright, Mr. D.S. Cope, Mr. W.J. Crooks, Mrs. S. Francks, Mr. D.M. Gould, Mrs. A. Hall, Mr. P.A.S. Hall, Mr. D.W. Inman, Mr. C.G. Joyce, Mr. C. Ladkin, Mr. M.R. Lay, Mr. K.W.P. Lynch, Mr. R. Mayne, Ms. W.A. Moore, Mr. K. Morrell, Mr. L.J.P. O'Shea, Mrs. J. Richards, Mr. A.J. Smith, Mr. B.E. Sutton, Mr. R. Ward, Ms. B.M. Witherford and Mr. D.O. Wright.

Officers in attendance: Mr. S.J. Atkinson, Mr. B. Cullen, Miss L. Horton, Mr. S. Jones, Mrs. P.I. Pitt and Mr. T.M. Prowse.

255 PRAYER

The Reverend Canon B. Davis offered prayer.

256 APOLOGIES

Apologies for absence were submitted on behalf of Mr. P.S. Bessant and Dr. J.R. Moore.

257 MINUTES

It was moved by Mr. Crooks, seconded by Mr. Lay and

RESOLVED - the minutes of the meeting held on 30 September 2008 be confirmed and signed by the Mayor.

258 ADDITIONAL URGENT BUSINESS BY REASON OF SPECIAL CIRCUMSTANCES

The Mayor indicated that, and as previously notified to Members, he had agreed to take as an urgent item at this meeting the appointment of an elected Member onto the Standards Committee, consequent upon the resignation of Mrs. S. Francks. The reason for the urgency was to ensure continuity and to enable Mrs. Francks' successor to undertake Standards training immediately.

It was then moved by Mr. Bill, seconded by Mr. Bray and

RESOLVED - Mrs. Hall be appointed to fill the vacancy on the Standards Committee consequent upon the resignation of Mrs. Francks.

259 DECLARATIONS OF INTEREST

No interests were declared at this stage.

260 MAYOR'S COMMUNICATIONS

The Mayor indicated that he had received an invitation from the Mayor of Herford to visit that town early next year as a step to reinforcing town-twinning arrangements.

The Mayor referred to a forthcoming fireworks display at the Marstons Stadium, part of the proceeds of which would be going to the Mayor's Charity.

The Mayor then congratulated Mr. and Mrs. Lay on the recent birth of their son.

At this juncture the Mayor indicated a change in procedure, namely that questions from Members to the Executive would be answered collectively at the end of a debate, rather than be answered individually during the course of the debate. The Mayor gave an assurance that he would ensure that a record was kept during Council meetings of questions asked, so that everyone received an answer.

261 QUESTIONS

The following questions and replies were received in accordance with Council Procedure Rule 11.1.

(a) Question raised by Mrs. J. Richards and addressed to Mr. D. S. Cope

"Will the Executive Member for Housing please inform the Council if Liberal Democrat Councillors spotted problems in the HRA Capital Budget and, if so, which Councillors?, on what date they informed officers of these serious matters and again, if this is the case, what direct action was taken as a result of the Councillors' intervention?"

Response from Mr. D.S. Cope

"Before specifically answering Councillor Richards' question, I would like to remind Members that the partnership arrangement for the HRA Capital Budget was agreed in September 2006 and the move to the untried " open book" method of accounting introduced from April 2007.

I can confirm that I, as Executive Member for Housing since May 2007, became aware of suggestions of problems with this budget during 2007 but was assured by officers that appropriate steps were being taken to address the issues.

Once the full extent of the problem was known from reconciliation of the necessary information in March 2008, I asked to be kept fully informed as to progress to resolve the problem, which, as all Members are now aware, has been very positive".

In response to a supplementary question from Mrs. Richards, Mr. Cope indicated that he had been advised of the original problem in early 2007 and on two subsequent occasions, and been assured that the matter was being dealt with.

(b) Question raised by Mr. R. Ward and addressed to Mr. D. C. Bill

"At the last Council meeting Councillor Bill confirmed that the deal negotiated by the previous administration in relation to the sale of the fields at Brodick Road expired on 30th September 2008.

Will the Leader of the Council inform Members whether it was this Authority or Morris Homes who were the principal movers in seeking the re-negotiation of the terms of the sale of the land at Brodick Road?

Also, it has been stated that the Liberal Democrat Administration had 'no option' but to sell the Brodick Road green space. Will the Leader of the Council agree that when Morris Homes failed to purchase the land by the deadline of 30th September there was an option of pulling the plug on the sale?"

Response from Mr. D. C. Bill

"I thank Councillor Ward for his question on this standard issue that he seems to raise at every Council meeting and would refer him to the detailed response given by Councillor Lynch tonight to Councillor Batty's questions on the same matter".

In responding to a supplementary question from Mr. Ward, Mr. Bill stated that he was confident in Officers' ability to handle any negotiations.

(c) Questions raised by Mr. Batty and addressed to Mr. K. W. P. Lynch

Question

"Whilst I applaud any attempts to provide value for money to the Tax Payers of the Borough and keep the distribution of non essential paperwork to a minimum, I am somewhat confused and I would be most grateful if the Executive Member or the Leader of the Council could confirm whether it is now the policy of the Council to brief members via the Hinckley Times on changes to the Council's financial provisions. Is it unreasonable of me to ask why significant and material changes to the "done deal" and the "irrevocable contract" that elected members and the Tax payers of the Borough were assured was in place, were not brought back to the Council for discussion, when the deal that has now finally been agreed with Morris Homes bears no resemblance to that agreed by the Council in this Chamber in March of 2006. The Hinckley Times tells us that although the Council has now agreed a price of £1m for the land at Brodick Road when the site had been valued at £1.7m but that and I quote; "council chiefs say the profit agreement could bring the income close to that level or even exceed it". This statement leads us to believe that the Council's share of the profits will approach or exceed £700,000, is that correct? If not what is the amount of profit share that the Council is hoping to achieve?"

Question 2

"The Hinckley Times article confirms; *"Councillors have already agreed to use some of the money raised for a major revamp of nearby Langdale Road recreation ground – and council chiefs say the amount going to that project will remain the same"*. I was delighted to read that because as I stressed in my yet unanswered letter of 16th January 2008 to Cllr. Bill, the main reason that I personally voted for the sale of the land was the promise that £500,000 of the proceeds would be allocated to fund the provision of first class much needed community facilities for the residents of that area. Therefore, could the Executive Member for finance please categorically confirm that the statement in the article was correct and that there will be no corners cut or reduction of specification and that the full amount of £500,000 originally earmarked by the previous Administration will indeed be committed to delivering these facilities to the standard promised."

Question 3

"Bearing in mind the article published in the Hinckley Times on 9th October 2008 together with the answers given in response to my questions at the Council Meeting held on Tuesday 9th September 2008, would the Executive Member for Finance agree that there can be no irrevocable contract for the sale of land in place until such time a finalised and unconditional contract has been signed and exchanged by both parties. As such would the Executive Member agree that Elected Members and the Tax Payers of the Borough, particularly the residents living in the neighbourhood of Brodick Road and Langdale Road were badly misled by claims that the sale of Brodick Road to Morris Homes was "done deal". Can the Executive Member please confirm that a separate substantial non refundable "Option Fee" was paid when the option was entered into and if so what amount. Would the Executive Member agree that if the council had remained firm and not renegotiated terms of the option agreement there would have been an increased opportunity for the council to pull out of the option agreement or secure the original £1.7 million valuation?"

Response from Mr. K. W. P. Lynch

I would thank Councillor Batty for asking these questions which I will address in a single response.

Firstly, I will remind Councillor Batty once again, as I did in response to his question on the same issue at Council on the 9th of September, that the option agreement with Morris Homes is a legal commitment that the previous administration entered into and one that the current administration is having to deal with sensitively and skilfully in order to ensure that there is no detrimental impact on the finances of this Council and the taxpayers of the Borough. The agreement that was signed in March 2007 is in essence irrevocable and a "done deal" in that this Council has been contractually committed to the option granted to Morris Homes on the Brodick Road side (or land equivalent to that site). Failure to do so on the part of the Council would result in serious legal and financial consequences.

Secondly, if the Council had recently unilaterally refused to renegotiate the option on the Brodick Road site, the effect of the pre-agreement dated 29th March 2007 would have to be considered. The terms of the agreement mean that Morris Homes would have a legal right of first refusal over any disposal of land capable of being developed with a minimum of 50 residential units by the council. This would include several of the Town Centre Area Action Plan sites which the council is already in the process of negotiating to transfer to third parties as part of the overall town centre development. This arrangement would potentially be jeopardised by the need to comply with the pre-agreement signed by the previous administration. There are no other alternative council owned sites that can accommodate 50 residential units that can be offered to Morris Homes.

Thirdly, Councillor Batty is quite right that the original pre-agreement with Morris Homes assumed a valuation of £1.7m. However this was, as stated in the agreement, subject to a satisfactory site survey. In November 2007, Morris Homes contacted this Council, having carried out this survey, and reported abnormal ground conditions, in particular an existing sewer running across the site, which were costed at £1,180,000 to rectify. The legal agreement stipulated a guaranteed minimum receipt of £1,500,000 **“provided always that the Abnormal Costs shall not exceed £200,000”**. The actual abnormal costs as stated were significantly above this maximum level and a reduction of £1,180,000 would have left the land value at £520,000. The Council was therefore forced in to negotiations with Morris Homes. The outcome of these negotiations was to agree a reduction in value by £350,000 to £1,350,000. As Councillor Batty should be aware, this was reported to the public meeting of Executive on 5th December 2007 **(report: EXEC 53)**.

In July of this year, Morris Homes again approached the Council and sought to re-negotiate the sale value of the land in the light of the economic downturn and the impact that this was having on land development values. Officers negotiated with Morris Homes to bring about the best deal for this Council in the present climate. This includes a cash offer of £1m and an overage agreement that will entitle this council to 35% of any betterment that Morris Homes receive over and above the anticipated selling price at this moment in time. I would also again remind Councillor Batty that Officers took this opportunity to negotiate with Morris Homes that any payments made by a third party for easement rights over the Brodick Road site will be negotiated and paid to this Council (something that the previous administration failed to negotiate at the time of committing this Council to the Option agreement). We anticipate that the £1m cash plus the overage payment, plus the receipt from any ransom strip will equal, if not exceed the £1,350,000 that was approved by Executive on the 5th of December.

In respect of payments made to Morris Homes in respect of the Atkins Site, an option release fee of £36,000 was paid to Morris Homes. £20,000 pounds of this money was to cover an option fee paid by Morris Homes to the previous owners and was accounted for by a negotiated reduction in the purchase price of the Atkins Building. Again, Councillor Batty should be aware of this arrangement.

Finally with regard to the allocated budget for the improvements to the adjoining Langdale Park, I can confirm that the existing approved capital programme includes the allocation of £500,000 to this project and that this figure has remained unaltered throughout.

In response to a supplementary question from Mr. Batty, Mr. Lynch commented that Members had been kept fully informed of the issues regarding the sale of Brodick Road.

(d) Question raised by Mr. S. L. Bray and addressed to Mr. K. W. P. Lynch

“Could the Executive Member for Finance please tell me what he estimates the cost of a by-election in the Markfield, Stanton-under-Bardon and Field Head Ward will cost local taxpayers?”

Response from Mr. K. W. P. Lynch

“I would like to thank Councillor Bray for his question. Final costs cannot be quantified until after the election has been held. However, the costs in connection with the holding of the Markfield by-election on 13 November is expected to be in the region of £6000.”

Following a supplementary question from Mr. Bray, Mr. Lynch responded that so far as he was aware there had not been any contribution from Mr. Cort towards the cost of the Markfield by-election.

262 POSITION STATEMENT BY THE LEADER OF THE COUNCIL

The Leader highlighted the following:-

- Continuing improvement in second quarter service performance figures for the Council .
- The announcement in relation to speed in dealing with minor (the majority) planning applications that this Council was the highest performer in the country in 2007/08.
- Increased take-up of revised concessionary fares scheme, increasing the projected cost to the Council.
- Reduced income from building inspection and planning applications (due to the deceleration of activity in this area).
- Partnership/multi-agency working to address the local economic situation.

In response to concerns expressed by a Member relating to empty business premises being charged for rent, the Chief Executive indicated that he would request the Director of Finance to write to the Member concerned with regard to the Council's stance on this.

Responding to a Member's question regarding reductions in rail services Mr. Bill indicated that he would circulate to Members the information that he had on this.

On the subject of concessionary fares, the Chief Executive stated that since the costs of this were significantly different from those anticipated, the revised

figures from the consultant engaged by Leicestershire County Council had been challenged and a response was awaited.

263 LOCAL DEVELOPMENT FRAMEWORK: CORE STRATEGY DEVELOPMENT PLAN DOCUMENT - PROPOSED SUBMISSION DOCUMENTS (C42)

In addition to amendments circulated to Members at tonight's meeting, the Executive Member for Culture, Regeneration and Planning proposed that on page 37 of the document, in addition to the measures identified, the following wording be added "the Council will investigate the potential of providing a link between the Earl Shilton by-pass and the M69 as part of a development of the Earl Shilton and Barwell Sustainable Urban Extensions Area Action Plan". This addition was seconded by Mr. Bill.

Mr. Smith left the meeting at 7.12 pm, returning at 7.16 pm.

Discussion arose regarding the 6 week consultation period and it was moved as amendment by Mr. Cartwright, seconded by Mr. Ward that the consultation be reported to a meeting of the Council. This was agreed unanimously. A further amendment was moved by Mr. Boothby and seconded by Mr. O'Shea that, with regard to rural housing distribution, the increase by 5 in Housing numbers in Bagworth be removed. Following clarification from the Director of Planning and Community Services, that the site in question (former railway sidings) had been previously identified in the Local Plan and brought forward into the Core Strategy Mr. Boothby agreed to withdraw his amendment.

Mr. Bown left the meeting at 7.28 pm.

Members were reminded that a Site Allocations Member Working Party had been arranged for 20 November 2008.

It was moved by Mr. Bray, seconded by Mr. Bill and

RESOLVED

- (i) the undertaking of a 6-week period of consultation on the core strategy proposed submission document and sustainability appraisal from 31 October to 12 December 2008 inclusive be approved;
- (ii) the responses to the consultation exercise be brought to the Council for information; and
- (iii) the submission of the core strategy to the Secretary of State following analysis of the representations received during the 6-week consultation period be agreed.

264 LOCAL DEVELOPMENT FRAMEWORK: HINCKLEY TOWN CENTRE AREA ACTION PLAN DEVELOPMENT PLAN DOCUMENT - PROPOSED SUBMISSION DOCUMENT (C43)

Circulated to Members at the meeting were updated details relating to housing numbers for the following 3 sites:-

Stockwell Head/Concordia Theatre
Rugby Road/Hawley Road
Railway Station site

In response to a Member's question, the Director of Planning and Community Services confirmed that there would be limited housing development on the former Atkins site. Following an amendment by Councillor Cartwright and seconded by Mr. Boothby, it was unanimously agreed that as with the previous item, the consultation responses be brought back to Council.

On the motion of Mr. Bray, seconded by Mr. Bill it was

RESOLVED

- (i) the undertaking of a 6-week period of consultation on the Hinckley Town Centre Action Plan proposed submission document and Sustainability Appraisal from 31 October to 12 December 2008 be agreed;
- (ii) the responses to the consultation exercise be brought to the Council for information; and
- (iii) submission of the Hinckley Town Centre Action Plan to the Secretary of State following analysis of the representations received during the 6-week consultation period be approved.

265 INTEGRATED YOUTH SUPPORT SERVICE (C44)

Council was called upon to endorse the findings of the review undertaken by Leicestershire County Council on developing the above strategy on a county-wide basis.

Whilst welcoming this review, which provided the opportunity to improve services, Members recognised that resourcing was a key issue. It was emphasised that this was a borough-wide initiative and the Authority remained fully committed to improving facilities in the rural areas. A request was made that non-Administration Members be enabled to participate in the implementation of this initiative. It was moved by Mr. Bray, seconded by Mr. Bill and

RESOLVED

- (i) the recommendations outlined in the report of the Deputy Chief Executive be supported;
- (ii) Council support be given to Hinckley and Bosworth being a "pilot" during the roll-out of this programme, as detailed in section 4.2 of the report;
- (iii) Officers be given delegated authority in liaison with the Deputy Leader, the Children and Young People's Champion and members of Opposition Groups to work in close partnership with Leicestershire County Council to develop this service, insofar as it is relevant to the Borough Council's strategic aims;
- (iv) the Council be briefed on progress on this initiative; and

- (v) Hinckley and Bosworth Local Strategic Partnership be requested to consider and endorse these recommendations.

(the meeting closed at 7.55 pm)