



Minutes of a meeting of the Scrutiny Commission held at County Hall, Glenfield on Wednesday, 12 June 2019.

PRESENT

Mr. S. J. Galton CC (in the Chair)

Mr. T. Barkley CC
Mr. P. Bedford CC
Mr. D. C. Bill MBE CC
Mr. G. A. Boulter CC
Dr. T. Eynon CC
Dr. R. K. A. Feltham CC

Mrs. H. J. Fryer CC
Mr. D. Harrison CC
Mrs. R. Page CC
Mr. A. E. Pearson CC
Mr. T. J. Richardson CC
Mr. M. B. Wyatt CC

1. Appointment of Chairman.

RESOLVED:

That it be noted that Mr. S. J. Galton CC has been appointed Chairman of the Scrutiny Commission for the period ending with the Annual Meeting of the County Council in 2020 in accordance with Article 6.05 of the Constitution.

2. Election of Vice-Chairman.

RESOLVED:

That Mrs. R. Page CC be elected Vice-Chairman of the Scrutiny Commission for the period ending with the date of the Annual Meeting of the County Council in 2020.

3. Minutes.

The minutes of the meeting held on 10 April 2019 were taken as read, confirmed and signed.

4. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

5. Questions asked by members under Standing Order 7(3) and 7(5).

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

6. Urgent Items.

There were no urgent items for consideration.

7. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

All members of the Commission who were also members of a district council declared a personal interest in the report on the Leicester and Leicestershire Enterprise Partnership (LLEP) and Local Industrial Strategy (minute 14 refers).

Mr T J Richardson CC declared a personal interest in the report on the LLEP and Local Industrial Strategy (minute 14 refers) as he was in the process of being appointed as a LLEP Director.

8. Declarations of the Party Whip in accordance with Overview and Scrutiny Procedure Rule 16.

There were no declarations of the party whip.

9. Presentation of Petitions under Standing Order 36.

The Chief Executive reported that no petitions had been received under Standing Order 36.

10. Corporate Complaints and Compliments Annual Report.

The Commission considered a report of the Director of Corporate Resources which presented the Corporate Complaints and Compliments Annual Report, covering the period 1 April 2018 to 31 March 2019. A copy of the report marked 'Agenda Item 10' is filed with these minutes.

Arising from discussion and questions the following points were raised:-

- (i) It was acknowledged that the provision of timely responses to requests for information from the Special Educational Needs and Disabilities (SEND) Service was an issue, partly due to the number of vacancies in the service. It was expected that all posts would be appointed to by July 2019 and the service's administrative capacity would also be increased. Some delays were due to hand-offs between different teams within the service and actions had been put in place to address these. Complaints related to any aspect of the SEND service that the County Council was involved with. The Complaints Team sought to engage with Academies around complaints handling, particularly where it was not clear which organisation had responsibility, but this could be difficult. It was agreed to refer this matter to the Scrutiny Review Panel on Multi Academy Trusts.
- (ii) Some concern was expressed that there were complaints relating to the perceived helpfulness of staff at the Recycling and Household Waste Sites, although it was noted that this was also an area where the County Council received compliments. It was confirmed that customer care training had been rolled out to all sites over the past year. It was suggested that there could be greater flexibility around access to waste sites at the end of the working day and also that customer insight should be used to map site usage and plan for busy periods. These suggestions would be fed back to the Director of Environment and Transport.

- (iii) It was confirmed that the internal targets for response times were that 60% of complaints would be resolved within 10 working days and 90% within 20 working days. This information would be included in the cover report in future. The Commission was pleased to note that these targets were being met and felt that the report suggested that County Council staff were coping well with the reduction in resources over recent years.
- (iv) It was noted that four of the six cases of maladministration related to either adult or children's social care and details would be provided within the statutory reports relating to those services. Officers undertook to provide greater clarity on these other complaints processes in future reports.

RESOLVED:

That the Corporate Complaints and Compliments Annual Report be noted.

11. Annual Report on the Commercial Strategy.

The Commission considered a report of the Director of Corporate Resources which provided an update on the performance of Leicestershire Traded Services, the progress with the development of a more commercial approach across the County Council and sought views on the progress to date and future plans. A copy of the report marked 'Agenda Item 11' is filed with these minutes.

Arising from discussion and questions the following points were raised:-

- (i) The Commission welcomed the news that the School Food Team had been awarded the gold standard by the Soil Association. This related to the sourcing of food as well as healthy eating. An NHS nutritionist worked with the team and advised on the menu. Officers undertook to share the menu with interested members.
- (ii) It was confirmed that the Marketing Team was a general team, accomplished in understanding the best way to attract different audiences. The Team had already seen successes, for example with the Countryside Show at Beacon Hill Country Park. It was expected that the profile of other assets, such as the Century Theatre, would also be raised. A review of customer data would be undertaken to inform future marketing strategies.
- (iii) The Commission was advised that Tithe Barn at Bosworth Battlefield had been modernised and the offer changed for the current year. Consideration had been given to the target audience and as a result additional events, including more joint events, had been planned. Officers were not aware of any more planned investment in the site but would raise with colleagues whether there were any plans to capitalise on the continued interest in the battlefield.
- (iv) Whilst there was general support for the achievements outlined in the report, some concern was expressed that the target for a £2 million surplus had been missed by £0.4 million. The Commission was advised that this partly related to the lack of ability to revise MTFS targets on a regular basis to take unexpected costs into account. Operating in a commercial environment was also challenging. Assurance was given that costs were rigorously monitored.

- (v) The investment in new equipment for Central Print in 2007 had been paid off by the income that the Service made, which continued to meet running costs. However, print was a very competitive market and there were no plans for the further commercialisation of this Service.
- (vi) It was suggested that it would be useful for future reports to include the running costs of each asset so members would be able to make a clearer assessment of profitability. Officer advised that work to analyse the capital and revenue costs across the Council's commercial activities had commenced; this would be a rolling piece of work. The Commission was also reminded that the County Council had made a commitment to providing some services because of their historical or wider cultural interest rather than on a purely commercial basis.
- (vii) It was confirmed that the association between Beaumanor Hall and Bletchley Park was being promoted by the Marketing Team and had been picked up recently by the media as part of the 75th Anniversary of the D-Day Landings. An event with Bletchley Park had also taken place last year.
- (viii) The Commission was pleased to note that training on commercial awareness had been provided for Senior Managers. A more commercial approach to procurement and contracts was also being introduced.

RESOLVED:

That the comments now made be submitted to the Cabinet for consideration at its meeting on 25 June.

12. 2018/19 Provisional Revenue and Capital Outturn.

The Commission considered a report of the Director of Corporate Resources which set out the provisional revenue and capital outturn for 2018/19. A copy of the report marked 'Agenda Item 12' is filed with these minutes.

Arising from discussion and questions the following points were raised:-

- (i) In response to a query regarding the business rates pool, it was confirmed that the arrangements had been agreed by all Leicester and Leicestershire councils. This enabled the business rates surplus to be retained locally; without an agreement in place they would have to be returned to central Government. The Leicester and Leicestershire Enterprise Partnership (LLEP) acted as a neutral third party to hold the surplus, which the local authorities could then bid for to spend on local infrastructure projects. The LLEPs role in the business rates pool was explained further in during the discussion on the LLEP and Local Industrial Strategy (minute 14 refers).
- (ii) Concern was expressed that the level of growth forecast for the south of the County would require significant investment in infrastructure, particularly schools. The Commission was advised that a new Growth Unit had recently been established to ensure a co-ordinated and planned approach to growth and to manage the associated risks. The Commission would receive a progress report in due course, as well as a report setting out the Council's long term infrastructure plan. It was recognised that this report, which would cover a 20 to 30 year period, would contain a lot of uncertainties including financial uncertainty.

- (iii) It was noted that some of the placement costs for Children in Care were very expensive. Members felt that the current situation was frustrating as the County Council was not able to challenge costs. However, the Council had recently entered into a Children's Innovation Partnership with Barnardo's, with the aim of improving the cost effectiveness of placements and services, whilst maintaining their quality. It was hoped that the partnership would enable the Council to influence the market to drive costs down and to have a greater choice of placements available locally.
- (iv) The primary aims of the Corporate Asset Investment Fund were to generate income for the County Council and support economic development. Purchasing pre-built assets, such as the Citroen Garage in Leicester, meant that income could be generated straight away. The risks involved in this type of purchase were lower, although this meant that the rate of return was also lower. The bulk of the Corporate Asset Investment Fund was for developments with longer term benefits. It was confirmed that one of these developments, Leaders Farm, was currently delayed due to issues around identifying the right tenants prior to seeking planning permission.
- (v) The additional costs related to repairing Zouch Bridge had been reported to the Cabinet. The bridge crossed a river which formed part of the county border with Nottinghamshire. A historic agreement was in place for this and a number of similar bridges, identifying which authority was responsible for maintenance in each case. Officers undertook to identify how many bridges were covered by this arrangement.

RESOLVED:

That the provisional revenue and capital outturn for 2018/19 be noted.

13. Draft Planning Obligations Policy.

The Commission considered a report of the Chief Executive which advised of progress on the review of the County Council's planning policy for developer contributions towards county-wide services and infrastructure and sought its view on the revised draft Planning Obligations Policy. A copy of the report marked 'Agenda Item 13' is filed with these minutes.

Arising from discussion and questions the following points were raised:-

- (i) Responses to the consultation had been received from developers, district councils and some town and parish councils. Viability was the main concern raised by developers. It had not been possible to fully resolve this through revisions to the draft Policy due to the tension between profit and providing appropriate infrastructure. District councils had also raised concerns about viability, including the impact on affordable housing, as well as querying the links to the Strategic Growth Plan and the new National Planning Policy Framework. It was confirmed that the majority of concerns and issues raised during the consultation process had been resolved in the revised draft of the Policy. Members suggested that it would have been useful to see a summary of the consultation responses and amendments to the Policy in the report.

- (ii) The Planning Obligations Policy would form the basis for the County Council's response to planning applications. It was expected that a period of negotiation with the developer would follow before a Section 106 package which mitigated the impact of the development was agreed. The Policy was also designed to contain sufficient detail to support the County Council's position during planning appeals.
- (iii) County Council requests for Section 106 contributions were co-ordinated by the Planning Team and usually accepted by district councils. When challenges were made, they were usually on the grounds of viability or interpretation of the regulations. Part of the work of the new Growth Unit at the County Council would be to take a more active role in negotiations for Section 106 agreements.
- (iv) Some concern was expressed that the Planning Obligations Policy could have a negative impact on the amount of affordable housing provided by developers or on the Section 106 requirements of other public sector bodies. However, the Commission was advised that officers would always seek to achieve a balance between the competing requirements. In addition, where possible discussions around the viability of a development should take place at a strategic level, for example during the development of the Local Plan.
- (v) Members felt that travel packs did not provide value for money and were often not promoted by developers. However, the Commission was advised that they formed part of Government guidance to promote sustainable travel. The funding requirement was usually quite modest and did not dilute other elements of the Section 106 request for contributions.
- (vi) The need for funding from new developments for libraries would be assessed on a case by case basis. There were times when the local facilities would already be sufficient. Both County Council owned and community libraries were covered by the Policy. Officers would consider where the money would best be spent, bearing in mind that it need to be directly related to the site of the development.
- (vii) The County Council, at its Annual Meeting, had declared a climate emergency. It was felt that more could be done to influence Local Plans to be more sustainable, including through designing homes for life. Officers undertook to raise this with colleagues.
- (viii) It was felt that, following the development of the Strategic Growth Plan, there was a positive spirit of co-operation between the local authorities in Leicestershire which should be capitalised on. Officers confirmed that the concerns raised by the district councils during the consultation process had been valid and had been addressed through dialogue and collaboration. It was hoped that this would continue.

RESOLVED:

That the comments now made be submitted to the Cabinet for consideration at its meeting on 25 June.

[The meeting adjourned at 12.55pm and reconvened at 2.00pm.]

14. Leicester and Leicestershire Enterprise Partnership and Local Industrial Strategy.

The Commission considered a report of the Chief Executive which provided an update on the governance and function of the Leicester and Leicestershire Enterprise Partnership (LLEP), including recent changes following the Government's review. A copy of the report marked 'Agenda Item 14' is filed with these minutes.

The Director of the LLEP, Mandip Rai, and Vice Chairman, Andy Reed, gave a presentation on the emerging priorities, consultation process and approval timeline for the Leicester and Leicestershire Local Industrial Strategy (LIS). A copy of the slides forming the presentation is filed with these minutes.

The Chairman also welcomed Mr N J Rushton CC, Leader of the County Council and the Council's representative on the LLEP Board, to the meeting for this item.

Arising from discussion and questions the following points were raised:-

- (i) It was confirmed that the LLEP involvement in the business rates pool was to manage the fund. Only the nine local authorities in Leicester and Leicestershire that contributed to the pool were able to bid for funds from it. This year, approximately £22 million was available but bids totalling £80 million had been received. The local authorities would therefore be asked to prioritise their bids before they were assessed by an officer group. The officer group would then make recommendations to a panel comprising the four elected members who served on the LLEP: the Leader of the County Council, City Mayor and two district council representatives.
- (ii) The operational financial position of the LLEP was healthy, with the key issue being where future growth funding would come from. The LLEP managed £250 million of public money, all of which was committed to various projects and schemes, Its running costs, including staffing, were met by the £0.5 million core funding it received from the government and the £250,000 match funding provided by local authorities. The LLEP had 26 members of staff. This was a relatively high number but reflected that work was not usually outsourced. Funds to support programme management were top sliced from relevant budgets.
- (iii) Between 2014 and 2019, 30,000 jobs had been created in Leicestershire. It was not known how many of these were full time and the data was not readily available. However, it was known that less than 7,000 people were currently on out of work benefits. Although positive, this created a challenge in terms of the recruitment of local people when new jobs were created.
- (iv) The LIS had to respond to four Grand Challenges which had been set by the Government. The evidence gathered to develop the LIS demonstrated that the additional local challenges to growth were the relatively low wages and levels of productivity, low levels of graduate retention and the profile of local businesses. 97% of these were Small and Medium Enterprises, mostly employing under five people. The LIS would seek to address these challenges through attracting investment and developing skills in areas such as science and space technology, to match the profile of the enterprise zones.
- (v) The strength of partnership working on the LLEP was welcomed. LLEP directors had a positive attitude to their differences and were working collaboratively on the wider strategic issues affecting the city and county. It was noted that female representation on the Board was an issue and the LLEP had set a target for a third

of the Board to be female by next year. There were difficulties in encouraging people to put themselves forward as it was an unpaid position and required a time commitment.

- (vi) LLEP funds tended to be directed to support areas which were not growing as fast. Every project had to demonstrate that it would deliver economic benefits for Leicester and Leicestershire. The wide range of partners involved in the LLEP had given strength to the evidence base used to support decisions.
- (vii) The purpose of the LIS was to act as a framework; it would not set out details of projects to be taken forward. All partners had been involved in its development, including through roundtable discussions. Work was also underway to establish a youth panel. However, a deliberate decision had been taken not to undertake public consultation. Wider consultation with partners would take place once the Government's views on the LIS were known.

RESOLVED:

- (a) That the report and presentation on the governance and function of the LLEP and development of the LIS be noted;
- (b) That officers be requested to provide the Commission with an annual update on the work of the LLEP.

15. Overview and Scrutiny Annual Report 2018/19.

The Commission considered the draft Overview and Scrutiny Annual Report which summarised some of the key highlights of scrutiny work during 2018/19. A copy of the report marked 'Agenda Item 15' is filed with these minutes.

Members were supportive of the report and highlighted the need to consider the environmental implications of all policies put forward, in the light of the Climate Emergency declared by the County Council at its annual meeting.

RESOLVED:

That the draft Overview and Scrutiny Annual Report 2018/19 be approved for submission to the County Council on 10 July 2019.

16. Date of next meeting.

It was noted that the next meeting of the Commission would be held on 4 September at 10.30am.

10.30 am - 3.15 pm
12 June 2019

CHAIRMAN