

SCRUTINY FOR POLICIES AND PLACE COMMITTEE

Minutes of a Meeting of the Scrutiny for Policies and Place Committee held in the Taunton Library Meeting Room, on Tuesday 11 December 2018 at 10.00 am

Present: Cllr A Groskop (Chair), Cllr M Lewis (Vice-Chair), Cllr P Ham, Cllr B Filmer, Cllr John Hunt, Cllr J Thorne, Cllr L Leyshon and Cllr N Bloomfield

Other Members present: Cllr M Chilcott, Cllr T Munt, Cllr B Revans and Cllr A Wedderkopp

Apologies for absence:

145 **Declarations of Interest** - Agenda Item 2

Cllr Liz Leyshon declared an interest as a member of Friends of Street Library.

Cllr Anna Groskop declared an interest as a member of Friends of Bruton Library.

Cllr Bob Filmer declared an interest as Chair of the Planning Committee at Sedgemoor District Council.

146 **Minutes from the previous meeting held on 13 November 2018** - Agenda Item 3

The minutes of the meeting held on 13 November 2018 were accepted as being accurate by the Committee.

147 **Public Question Time** - Agenda Item 4

There were two public questions in relation to Item 7 – Library Service Re-design Update.

Cllr John Irven, Chair of Watchet Town Council (WTC) made a statement that WTC require the freehold transfer of Watchet Library from West Somerset Council (WSC) in order to be able establish a Community Library Partnership. Cllr Irven sought the Committee's support with this.

Cllr Irven received the following response from the Strategic Manager, Community & Traded Services. Thank you for the question John and thank you and others in Watchet Town Council for your support for Watchet Library.

We note that Watchet Town Council have always been clear that their support for a Community Library Partnership at Watchet is conditional on the freehold transfer of the library building. The County Council have supported Watchet Town Council in this objective by supporting their application for an asset transfer. However, ultimately the decision on any freehold transfer would be for West Somerset Council to make.

We have discussed and agreed a possible alternative solution of assigning the existing lease, a proposal which is supported by West Somerset Council and the County Council. This offer was put to Watchet Town Council yesterday. We hope that a resolution can be found which enables a Community Library

Partnership to be established in Watchet and all parties are continuing to work in good faith to achieve this common objective.

Peter Murphy, Chair of Friends of Somerset Libraries made a statement advocating additional funding to establish Community Library Partnerships (CLP) on a sustainable footing. He also asked for support for: District Councils to grant Discretionary Rate Relief to all proposed CLP's; the freehold transfer of Watchet Library to Watchet Town Council and for Taunton Unparished Area funds to support Priorswood Library. Mr Murphy raised concerns about the sustainability of volunteer-led models and questioned how this would be monitored. He also questioned whether the needs assessments already undertaken will be re-visited in order to determine the level of outreach and mobile provision necessary.

Mr Murphy received the following response from the Strategic Manager, Community & Traded Services. Firstly, on the provision of additional funding to all Community Library Partnerships. As you know this was determined through the recent Cabinet decision, which also determined the level of budget allocated to the library service for the next financial year. That level of budget having been determined, it is unlikely that there will be any scope to offer additional funding.

Secondly, following FoSL's submissions and letters on discretionary rate relief this issue is being investigated by district and county officers.

Finally, the level of outreach and mobile library provision was broadly determined in the Library Service Delivery Plan, produced as part of the Cabinet Report. This plan was based on a comprehensive and robust needs assessment, as well as consideration of the consultation feedback and a full impact assessment. We are currently undertaking local engagement in the communities of Highbridge and in high needs areas of Yeovil to determine the optimum mix and form of outreach services, and we will do the same for mobile library provision should this be necessary in other communities. However we will not revisit the full needs assessment and outreach or mobile service provision will be designed within the parameters established in the Cabinet decision.

148 **Month 6 Revenue Budget Monitoring Report - Agenda Item 5**

The Committee considered this report which outlined that the Month 6 projected revenue outturn for 2018/19 was £3.158m over the available budget of £317.883m. Good progress has been made in delivering the required savings and the Senior Leadership Team (SLT) is currently assessing the additional management action and mitigations required to further reduce the current projected overspend. The next detailed, quarterly report will be presented in February 2019, based on expenditure to the end of December 2018.

In a verbal update, Members were informed that the downward trend of spend is continuing at that the latest outturn position is now forecast at around £2.3m. The contingency in place would, therefore, be enough to meet the overspend currently although measures to address this overspend are still in place.

It was clarified that projected income from capital receipts was only based on those with low and medium risks attached to them and that the proposed sale of the Six Acres site did not form part of this.

It was clarified that Dillington House is a trading entity and has to make an appropriate return for investment, including any capital loan.

Members expressed satisfaction that revenue spending has been decreased and questioned how close this could be brought down. Based on the current trajectory, it was confirmed that it is anticipated that a balanced budget will be delivered by year end.

Members questioned how the £9.9m capital grant from government for Highways will be allocated. It was confirmed that this grant has been physically received from government and the Economic and Community Infrastructure directorate is now considering how best to use the funds. It is a challenge to spend the funds by year end whilst fulfilling the requirements of the grants. Any funds that can be will be spent flexibly and the directorate is committed to spending the fund in the best way possible. A suggestion was made to spend some of the funds on additional gritting but it was clarified that this constitutes revenue spend not capital. However, if it is possible to use funds flexibly it will be considered. It was clarified that as this is a capital grant it is not shown in the revenue budget. There is an additional grant for normal highways maintenance of £1.7m. This is a reward grant due to high performance of the highways service.

Some members expressed concern about the ability to spend the funds by March. It was clarified that all of the work does not have to be carried out in the next three months and the service is looking at a range of activities. If existing works meet the requirement of the grant, it may be possible to re-allocate revenue funds and use capital grant funds instead.

Members questioned whether the Small Improvement Scheme (SIS) is a capital or revenue scheme and whether it will be repeated in this quadrennium. It was clarified that this is a capital scheme. It is proposed to reduce the spending on this scheme from £2mm to £1m and then discontinue it. The capital grant could only be used for this if it qualifies according to the requirements set by government for its use. It is not believed that the government will claw-back funds, however, we are ensuring that we are compliant.

Members asked for an update on the progress of savings proposals which required consultation with the Schools Forum. They were informed that all have been discussed with the Schools Forum. Some proposals have been supported but some major proposals have not. Whilst some proposals required consultation with the Schools Forum, the decision can still go ahead. The Director of Children's Services has made the decision to proceed with the proposals.

The Committee noted the report and asked for an update on the use of the Highways capital grant and the Small Improvement Scheme. It was agreed to provide this once the analysis had been completed.

149 **2019-20 Capital Investment Programme - Agenda Item 6**

The Committee considered this report which outlined the proposed Capital Programme for the period 2019/20 to 2022/23 of £225.121m.

It was clarified that this report would be presented to Cabinet in the New Year and that any comments from the Committee would feed in to the decision-making process.

In previous years the Capital Programme has been agreed one year at a time. This creates difficulty in some areas, such as the Colley Lane development in Bridgwater and the A Block refurbishment project, when agreement is reached for the first part of development but not the second. Officers are better able to plan in a considered way if they are able to plan ahead. Therefore, the proposal is to seek approval for an on-going programme which can still be subject to change. Any decision on the capital programme will also have an impact on the revenue budget.

Members questioned whether the announced school building programme was still on track. It was clarified that the same sum of money is earmarked and there is still commitment to the programme. However, it was highlighted that a large capital programme places a strain on the revenue budget. There is a need to prioritise the School Basic need programme and focus on those elements pre 2021. We are applying pressure on government to improve grants to limit the need to borrow.

Members questioned how communities will be able to access highways improvements if the Small Improvement Scheme (SIS) is discontinued. It was clarified that there is a need to prioritise across the whole service but Members will still be able to have an impact in a strategic way. Safety will always be of paramount in prioritising works.

The report stated that the SIS programme will be reprofiled over a longer timeframe and Members questioned the timeline for this. The detail of this was not known but it was believed that there is a commitment to deliver existing schemes but not to accept further applications.

A Member questioned whether Parish Councils have been approached for funding to support activity such as SIS schemes. It was not known whether this had happened previously but there is no reason why this couldn't be discussed and considered.

Members questioned whether capital funds could be used to make capital investments. This would only be possible if there was a net nil or positive return for the revenue budget. It would be possible to do this if there was a time lag on the return if sufficient measures could be put in place to mitigate this. However, it would be challenging to support this in the current financial position.

Members queried the definition of the Minimum Revenue Position (MRP) and stated that it was essential that members had an understanding of this. The MRP is the gap between payment of debt and what has to be accounted for

and it is based upon the life of an asset. More information about this will be provide to Members via the Cabinet and Audit Committees.

Members questioned the diversity of the estimated funding for the capital programme. Members were informed that it is common for local authorities to have a capital programme that is much more detailed and clear in earlier years and less detailed in later years due to unknown future funding factors. For example, the grants available for highways are not yet known beyond 20/21 so these have not been estimated yet. Things will inevitably change and this will feed into the programme as it evolves. The programme is, therefore, not prescribed but is monitored closely.

Members questioned what discussions the Council was having with District Councils regarding use of Section 106 (S106) and Community Infrastructure Levy (CIL) funds. Discussions regarding this are on-going. Sedgemoor District Council has allocated CIL funding to the Bridgwater Barrier and Taunton Deane Borough Council has expressed a wish to allocate CIL funding to town centre and garden town development. This poses a challenge as the Council wishes to encourage development but there is also a need to ensure sufficient funds for the infrastructure to support this development. CIL funds helps us to provide school places where people want them. It was confirmed that it us up to District Councils to decide the priorities for CIL funds.

A Member suggested that the Council needed to be stronger during the planning process. It was clarified that the council is a consultee only but is able to put forward reasonable mitigations with regard to highways. A delicate balance is needed as we don't want to stymy development but we need to ensure the infrastructure.

Members questioned whether the Council can afford to borrow. Members were informed that this is possible but that the government is tightening the reins on local authorities investing in commercial investments. The government and professional bodies have become nervous about this and there are further issues to consider such as whether to invest inside or outside of the county. This would need a very carefully considered business case.

Members questioned whether the capital grant from government could be used to pay down capital loans. It is not believed that the government would support this. Additionally, paying off debt is usually bad value for money as the Council is able to benefit from preferential interest rates but there are huge penalties if the debt is repaid early. Members further questioned whether it could be used to pay the interest rather than the capital. This would not qualify as capital spend and special permission would be required for this (as in the case for Northamptonshire Council).

Members queried whether a consortium of local authorities could purchase significant shares in property developers in order to influence build. The Interim Finance Director was not aware that this type of commercial investment would not be permissible. A Member commented that the authority's ability to borrow cheaply could be seen to be giving a competitive advantage.

It was clarified that the table of capital grants in 4.2 is intended to make it clear to Members that there are choices for these funds.

It was noted that the authority has been very successful in accessing grant funds to date. It has two teams that support the development of bids from both the government and the Local Enterprise Partnership.

Following a vote, the Committee approved the following recommendation:

The Scrutiny for Polices and Place Committee acknowledges the importance of SCC's ability and necessary resources to negotiate the best possible contributions to infrastructure projects from the development of housing in Somerset.

The Committee noted the report.

150 **Library Service Re-design Update - Agenda Item 7**

The Committee considered this report which provided an update on progress with establishing Community Library Partnerships (CLP's), in the early stages of implementing the decision by the County Council's Cabinet to re-design the libraries service.

A summary of the expressions of interest that are being taken forward was provided. The Committee was informed that no expressions of interest were received for Highbridge and Sunningdale libraries. These libraries will therefore close on 29 December 2018, and library services will be delivered to the surrounding communities through the new Library Outreach Service delivery model, as determined through the Cabinet decision. The Committee was also updated on the progress of other areas of work underway as part of the Cabinet decision.

A Member questioned whether an additional mobile library will be provided. It was clarified that the two areas which have libraries closing at the end of the year (Highbridge and Sunningdale) will have library services provide through an outreach delivery model as they are less than two miles away from other library services.

Members questioned whether any support can be given to Watchet Town Council. It was clarified that the Council has done everything it can to support the Town Council's case and that we can only seek to influence the decision of West Somerset Council. It was clarified that the Council is unable to provide legal advice to third parties but that it understands that Watchet Town Council have taken their own legal advice.

The Committee noted the report.

151 **Corporate Performance Report Q2 2018-19 - Agenda Item 8**

The Committee considered this report which provided an update on the council's ongoing progress towards the outcomes laid out in the council's Business Plan. The report provided the latest information available in the period up until 30th September 2018.

The new design and format of the report was highlighted to the Committee.

152 The Committee noted the report and were pleased with the new format.
A Block Refurbishment Project Update - Agenda Item 9

The Committee considered a presentation which provided an update on the A Block Refurbishment project.

The presentation outlined the business case for change and the Cabinet recommendations, the options considered, expected savings and future opportunities, benefits and risks and key next steps for the project.

Members questioned the total value of the County Hall site. This information was not available but Members were reassured that market appraisals of buildings have been carried out. It is a unique site and would require specialist inputs. The cost of an alternative site would be quite high. Members questioned how option 4 could be discounted if the value of the asset was not known.

Members queried what the risks would have been if the enabling works had not been carried out. This would have caused business continuity issues. The loss of C Block would also have incurred landlord obligations with a need to find alternative accommodation for staff in C Block and for the Court service in Shire Hall. The cost of this would have been very high.

Members questioned occupancy levels and parking arrangements. It was clarified that occupancy studies are carried out on a rolling basis. This has looked at how space is being used and configured. There are currently 1370 desk spaces in B and C Block. When the works are completed this will rise to around 2,500 desk spaces. The service is looking at how parking on site is managed and it is keen to encourage alternative ways to travel to County Hall.

It was clarified that there are some drawings of the layout once complete. These are just being finalised.

Members questioned whether other buildings in Taunton were being emptied and sold to generate capital receipts and what the estimated financial value of this is. It was clarified that the buildings are leased so the benefits will be revenue based rather than capital receipts. The estimated revenue benefit is £723k.

A Member commented that he had first been made aware of this project via the media and asked that Members be better informed in future.

It was clarified that some teams have been moved into offices at Taunton library. This is a temporary measure and is being leased from Taunton Deane Borough Council. The Council was already paying for this so is maximising the use of this space.

It was clarified that savings identified at Taunton Academy relate to rental and service charges that we currently pay to rent office space and parking at the Academy.

Members questioned the limited number of risks that had been associated with the project and highlighted the reputational risk of the public perception of the authority spending such a large amount of money on itself. Members were reassured that there were other risks identified on the full risk register.

Members questioned whether A Block was useable as it stands and it was clarified that there would be costs involved to get the building to a useable state. It was clarified that the building is subject to listed building regulations and, therefore there are certain elements that have to be maintained such as the façade. Members questioned whether any One Public Estate money would need to be returned if the project did not go ahead. The Council reports quarterly on the use of One Public Estate funds but there wouldn't be a claw-back.

Members raised concerns that so few risks had been presented and it was clarified other risks were identified on the full risk register.

Following a vote, the Committee made the following recommendation:

The Scrutiny for Policies and Place Committee recommends that a complete, detailed assessment of all risks associated with the A Block Refurbishment Project, along with a valuation of A, B & C Block should be provided to the Cabinet ahead of their meeting on 19 December 2019.

The Committee noted the report.

153 **Lead Local Flood Authority Update** - Agenda Item 10

The Committee considered this report which updated the Committee on the continued progress by the Flood and Water Management team in 2018/19 and set out the key activities for 2019/20.

A Member welcomed the idea of green spaces in car parks but highlighted that vandalism and health and safety may be challenges.

Members questioned the role of the sustainable drainage (SuDS) inspector and whether they would check on long-term maintenance. It was clarified that the inspectors are focussed on the construction of SuDS only and don't address maintenance. Members were asked to report any concerns to the service so that this could be taken up with the developer.

A Member commented that highways, housing and flooding are all connected and there is a need for as much green space as possible on housing sites to mitigate the risks of flooding.

The Committee noted the report.

154 **Scrutiny for Policies and Place Committee Work Programme** - Agenda Item 11

The Committee considered and noted the Council's Forward Plan of proposed key decisions.

Following debate, the Committee requested the following changes to the work programme:

- Add a Revenue Budget Monitoring Item to 23 Jan 2019 meeting
- Add an item on the Capital Investment Strategy
- Add an update on the County Council policy for disposal of property and an update on County Farms
- Add an update on the Council's statutory duties
- Add an update on Hinkley Point C

A Member also asked whether the CDS update could be provided at the 23 Jan meeting. It was clarified that sufficient information would not be available at that time but it was agreed to circulate a member information sheet once the information was available.

The Committee also requested that the additional risk information relating to the A Block Refurbishment Project be provided to the Committee before it goes to Full Council for decision.

155 **Any other urgent items of business** - Agenda Item 12

Members requested that officers give more consideration to presentations to ensure better accessibility including font size, clarity and colour of information.

(The meeting ended at 1.30 pm)

CHAIRMAN