

ENTERPRISE AND WELLBEING SCRUTINY COMMITTEE

Tuesday, 4th October, 2016

Present:-

Councillor P Gilby (Chair)

Councillors	Barr +	Councillors	Perkins
	Callan		Serjeant +++++
	Catt		Sarvent
	T Murphy +++		V Diouf

Alison Craig, Housing Manager +++

Anita Cunningham, Policy and Scrutiny Officer

Kate Harley, HR Manager ++

Neil Johnson, Economic Growth Manager ++

Rachel Lenthall, Committee and Scrutiny Coordinator

Michael Rich, Executive Director +++++

+ Attended for Minute No. 26

++ Attended for Minute Nos. 26 and 28

+++ Attended for Minute No. 29

++++ Attended for Minute No. 30

23 DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS RELATING TO ITEMS ON THE AGENDA

No declarations of interest were received.

24 APOLOGIES FOR ABSENCE

Apologies were received from Councillor Derbyshire.

25 LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF PUBLIC

RESOLVED –

That under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act.

26 **LEADER AND CABINET MEMBER FOR REGENERATION - REPORT ON NORTHERN GATEWAY**

The Economic Growth Manager attended to provide a progress report on the implementation of recommendations following the approval of the Northern Gateway Revised Options by Council on 27 July, 2016.

The Economic Growth Manager noted the different components of the scheme, the costs involved in the redevelopment and the estimated number of jobs that would be created upon completion. The scheme would include refurbishment of the Saltergate multi-storey car park (MSCP), public realm improvements on Elder Way and creation of a managed office space on part of the Holywell Cross car park. Planning permission had been granted for the change of use and internal refurbishment of the former Co-op department store which also formed part of the scheme. The Co-op re-development would be undertaken by the private sector company Jomast Developments Ltd and work was estimated to start in February, 2017.

The revised options for the Northern Gateway project involved developing the scheme into two phases; talks were in motion with the third party landowners regarding the second phase which would involve land to the north of the site. Details of the second phase did not form part of the report approved by Council in July, 2016.

In addition to Elder Way, the Economic Growth Manager advised that the public realm works would also involve improvements to the black and white buildings along Knifemithgate. Talks were in motion with English Heritage regarding potential support and grants that may be available to fund the restorative works.

A Project Manager post had been created and interviews for the post took place in early October, 2016. A Project Team had been established and meetings had taken place in August and September, 2016. Following a procurement exercise, interviews were due to take place in October, 2016 for contractors to carry out the refurbishment works on the MSCP. Work

had also been undertaken to start the commission process for architects for the new office space on Holywell Cross car park. Work was also being undertaken with the University of Derby to ensure the right support was given to new and innovative business in Chesterfield.

Members asked if the restoration work to the black and white buildings would only affect the frontages of the buildings. The Economic Growth Manager replied that the Victoria Centre was privately owned and the owner was making some internal changes. The work being considered as part of the Northern Gateway scheme would involve only the facades of the buildings.

Members asked if there was a start date for work to commence on the MSCP. The Economic Growth Manager answered that it was anticipated that work would begin before Christmas however it was hoped that the MSCP would remain open for the Christmas period to provide parking provision.

Members raised concerns about criticism from the public when projects took a long time to complete. The Economic Growth Manager replied that the Northern Gateway project was still on schedule however some other schemes could be reliant on the commercial economic environment which may cause delays. It was suggested that a bulletin for Members with regular updates on regeneration projects could be a useful tool.

Members asked if the creation of the office space on the Holywell Cross car park would affect the number of parking spaces. The Economic Growth Manager advised that there would be a loss of some car parking spaces on the surface car park; however, following the completion of the refurbishment of the MSCP, the overall number of spaces would increase. In addition, the security of the MSCP would be improved and provide better provision for hotel users and people using the town centre at night.

Members asked if the public realm works on Elder Way would involve the relocation of the taxi rank and also raised concerns about the noise levels from the buses for people sat outside at cafés and restaurants. The Economic Growth Manager replied that they were looking into options to create the extra pavement space that was needed to improve access into the town centre. Conversations would be held with Stagecoach and the transport link with the train station would be looked at to see what could be improved. Members felt it would be beneficial to have a linked transport network in the future.

Members thanked the Economic Growth Manager for attending the meeting and providing the report.

RESOLVED –

That the progress be noted and the future plans for the Northern Gateway scheme be supported.

27 LOCAL GOVERNMENT ACT 1972 - RE-ADMISSION OF THE PUBLIC

RESOLVED –

That the public be readmitted to the meeting.

28 LEADER AND CABINET MEMBER FOR REGENERATION - REPORT ON APPRENTICE TOWN

The Economic Growth Manager and the HR Manager attended to update Members on Government apprenticeship reforms and the progress made towards addressing the changes.

The report noted that the UK invested in less training and fell behind in productivity compared to other countries. Apprentices' career prospects had improved due to the recognition of their contribution to improve productivity which in turn had made apprentices more employable. To increase the number of apprenticeships available, the Government set out new apprenticeship standards in July, 2015 which included the setting of targets, provision of legal protection and introduction of an apprenticeship levy. The target percentage of apprenticeships per workforce was set at 2.3% of the total workforce; Chesterfield Borough Council (CBC) currently employed 1.1% of its workforce as apprentices.

Further apprenticeship reforms were announced in August 2016 when the Government published its proposals for apprenticeship funding to be introduced from May 2017. For smaller businesses, i.e. those which employ fewer than 50 employees, funding had been made available to support their intake of apprentices. The apprenticeship levy would be introduced from April 2017, employers in all sectors that had a pay bill of over £3 million each year were required to pay the levy. CBC would be subject to the apprentice levy which equated to 0.5% of the payroll bill.

Further announcements would be made in October 2016 outlining the final levels of funding and government support including English and Maths training; and in December 2016 additional information about employer guidance would be released.

The report looked at how to sustain the required intake of apprentices and how to make the best use of the apprenticeship levy. The Economic Growth Manager outlined the internal response to the government's targets which included mapping learning and development in the Employee Performance Development reviews, succession planning and actively recruiting where appropriate. There was a proposal to centralise the training budget and start working with local training providers to scope provision and explore delivery models, allowing CBC to provide support for local businesses.

As CBC would be required to pay the apprenticeship levy, there would be an impact on financial resources and growth which would affect colleges and other training providers as well. CBC would be able to access funding from the government through the digital apprenticeship service which could be used to pay for training and assessment for apprentices. The Economic Growth Manager highlighted the importance of working together with local businesses, training providers, schools and the Department for Work and Pensions to help recruit apprentices and identify suitable training provision.

Members expressed a concern that some employers were using apprenticeships as a way to avoid paying the minimum wage and asked if apprenticeships were registered and if each apprentice had a mentor. The Economic Growth Manager replied that there had to be a training contract and scheme that the apprentice and employer signed up to. Apprenticeships could be misused in some areas; however the Government was putting measures in place to protect apprenticeships. The HR Manager added that a new initiative called Trailblazers had been established. A Trailblazer was an employer led group which could develop their own standards and bring in different types of apprenticeships from diverse areas. Looking at CBC employees' learning and development and matching existing employees to higher apprenticeships would be explored as the target of recruiting 22 new apprentices a year was seen as unrealistic.

Members asked about the range of pay levels available to apprentices. The HR Manager replied that the pay levels for apprentices were

dependent on age. Current CBC employees who undertake an apprenticeship would continue to receive their normal wage. At the end of the process there would be an assessment and apprentices would receive a qualification.

Members felt that the apprenticeship reform provided great opportunities, particularly for developing current CBC employees and providing them with the chance to grow with the hope of retaining valuable members of staff. Members thanked the Economic Growth Manager and the HR Manager for attending to provide the report.

RESOLVED –

- 1) That the report be noted and the plans made to address the apprenticeship reforms be supported.
- 2) That a further report be brought to the Enterprise and Wellbeing Scrutiny Committee at a date to be confirmed on plans to use apprenticeships to develop our own employees.

29 CORPORATE WORKING GROUPS

Councillor Perkins, along with the Cabinet Member for Housing and Housing Manager, provided an update from the meetings of the Housing Revenue Account Business Plan (HRA BP) steering group.

Councillor Perkins reported that the HRA BP steering group had met twice since being established. The meetings focussed on the HRA finances, how they were managed and the implications of new legislation. Changes to the Welfare Reform Act and the introduction of the Housing and Planning Act 2016 were expected to have a big impact on HRA finances in the future. The purpose of the steering group was to find ways to fill revenue gaps in the HRA and put forward a revised business plan.

The steering group comprised of Officers and Members with Councillor T Murphy, the Cabinet Member for Housing, Chairing the meetings. The steering group also worked in conjunction with the tenants sub-group. Councillor Perkins, as the Scrutiny representative on the steering group, explained that involving Scrutiny right from the start in this way provided good opportunities for pre-decision Scrutiny.

There had been discussions in the steering group about recommendations for policy changes which included:

- Pay to stay – from April 2016 the market rent would be charged to households with an income exceeding £31k.
- Flexible tenancies – from April 2016 any transfer tenant would have a fixed term tenancy rather than a tenancy for life.
- Disposal of high value assets – the Council would be required to pay money back to the Government on vacant properties.

The recommendations had been difficult decisions to make and there was an uncertainty over what they would mean for Chesterfield. There would be a 1% reduction per year in rent for the next 4 years which equated to a loss of income amounting to £10m. Additionally there were certain types of property, largely flats, that were difficult to let resulting in a loss of rental income. The steering group had discussed the possibility of working with other local authority areas to exchange tenants where there was a need for a certain property type.

On 5 October, 2016 there would be the first in a series of workshops looking at each service area within HRA spending. The first workshop would look at repairs and maintenance which absorbed 60% of HRA costs.

The Cabinet Member for Housing added that there would also be a meeting involving senior officers that would explain the current situation of the HRA to tenants.

The Housing Manager advised that a review into repairs and maintenance had been commissioned as that was the biggest area of spend and CBC were currently spending above average on repairs costs. The workshops would be looking at the tenants' obligations, investment standards and life cycles. In addition, on 30 October, 2016 there would be a workshop with the tenants steering group. Following the outcome of the workshops, the HRA BP steering group would make recommendations back to Cabinet.

Members had concerns that there was a limited stock of smaller houses and helping tenants to move into a private tenancy could bring higher rents and uncertain rent increases for tenants. Members acknowledged that the Council was facing severe challenges and that the new policies from the Government had an adverse impact on the Council's HRA. Members thanked Councillor Perkins for the excellent report, and thanked

the Cabinet Member for Housing and the Housing Manager for attending to provide support.

RESOLVED –

- 1) That the approach taken by the Housing Revenue Account Business Plan steering group to include scrutiny and other representatives be supported.
- 2) That it be noted the difficulties being caused are as a result of government policy.
- 3) That a report be brought back to the Enterprise and Wellbeing Scrutiny Committee after the next meeting of the Housing Revenue Account Business Plan steering group.

30 CABINET MEMBER FOR TOWN CENTRE AND VISITOR ECONOMY - FUTURE USE OF THE FORMER QUEENS PARK SPORTS CENTRE

The Cabinet Member for Town Centre and Visitor Economy and the Executive Director, Michael Rich, attended to provide Members with an update on the progress made regarding the future use of the former Queens Park Sports Centre (QPSC).

The Executive Director advised that planning permission for the demolition of the former QPSC had been approved and the Council was currently out to tender for contractors to carry out the work. The demolition would take place in two stages, the removal of asbestos followed by landscaping, and contractors were being sought to either provide one of the stages or both of them.

Following the approval of planning permission, the public consultation had begun on the future use of the former QPSC. It was hoped that more than one option would be put to the public however it had been difficult to identify multiple options. The principles that the option had been based on took into account the heritage of the park, planning constraints, finances, likely use and evidence of demand.

No decisions had been made and suggestions from the public consultation would be considered. However, some options had been deemed unsuitable for the following reasons:

- Housing – not an appropriate location and strong opposition
- Ice rink – no catchment
- Car parking – already enough provision
- Food and drink – detracts from town centre
- Cultural venue – would work well but requires a subsidy/grant
- Put on the market – lose potential income
- Extend park – adds to cost and does not provide income
- Outdoor play area – not had a convincing business case

The preferred option that was put to the public in the consultation was for two 3G all weather sports pitches. The consultation included an on-line survey and questionnaire, and events had taken place at the college's fresher's fair and on the Market. There had been a good response to the consultation so far with suggested options received from the respondents that could be looked at.

The next steps involved the development of business cases followed by formal decision making and a planning process with strong project management.

The Executive Director noted potential ways scrutiny could be involved during and after the consultation period and throughout the implementation of the project.

The Cabinet Member for Town Centre and Visitor Economy noted that the preferred option of the playing pitches would be influenced by the sports that would be using them. In addition, it was important to fulfil health and wellbeing ideals and reach out to marginal groups.

Members advised that they wanted to work closely on the next stage as they felt it was important to get the next steps right and follow on from the success of the new QPSC. There was a Scrutiny Project Group due to start in January 2016 and it was requested that a dialogue be kept open in order to get a positive scrutiny review.

The Executive Director noted that there was a decision on the forward plan for mid-December on the consultation however that was the earliest date a decision could be taken and it was more likely to be moved to early in the new year. The Executive Director added that a report on the responses to the consultation could be brought to the Enterprise and Wellbeing Scrutiny Committee as soon as possible after the consultation had finished.

RESOLVED –

- 1) That a progress report on the consultation on the future of the old Queen's Park Sports Centre be brought to the meeting of the Enterprise and Wellbeing Scrutiny Committee on 6 December, 2016 and that Cllrs Catt and Sarvent be invited to the pre-agenda for that meeting on 14 November, 2016 to co-ordinate plans for the Scrutiny Project Group.

31 SCRUTINY MONITORING

The Senior Environmental Health Officer submitted an updated Scrutiny Monitoring Action Plan for the Scrutiny Review of Dog Fouling. Two items were still outstanding from the review's recommendations:

- ongoing issues with officers having the right ICT equipment, and;
- inconsistency between different officer's and what authority they had in regards to issuing penalty notices.

The Chair advised Members that the outstanding issues regarding the monitoring item on Water Rates had become increasingly complex and was still being looked into; more information would be brought to Members when it was available.

RESOLVED –

- 1) That the Scrutiny Review of Dog Fouling be signed off as complete.
- 2) That the two outstanding issues from the Monitoring Action Plan for Dog Fouling be taken up as follows:
 - a. That the unresolved ICT equipment issues be progressed through the Great Place, Great Service item on the Overview and Performance Scrutiny Forum work programme.
 - b. That the inconsistency between officers authority regarding issuing penalty notices be raised with the Health and Wellbeing Manager when he attends Enterprise and Wellbeing Scrutiny Committee in February, 2017.

- 3) That the Health and Wellbeing Manager be invited to attend the pre-agenda meeting on 14 November, 2016 and then the meeting of the Enterprise and Wellbeing Scrutiny Committee on 7 February, 2017.

32 FORWARD PLAN

The Forward Plan was considered.

RESOLVED –

That the Forward Plan be noted.

33 SCRUTINY PROJECT GROUPS

Councillor Derbyshire, Lead Member for the Scrutiny Project Group on the Play Strategy, was unable to attend the meeting; the Chair updated Members in her absence. The project group members had met with the Principal Green Space Strategy Officer and queried the criteria used when auditing play spaces. There had been a delay in progress with the Play Strategy due to a reorganisation within the service. The next meeting of the project group was at the end of October and progress would be received on information requests that the project group members had made.

The Policy and Scrutiny Officer also reminded Members that Scrutiny Committees expect all Project Group Lead Members to provide a report back to every parent committee meeting.

RESOLVED –

- 1) That a briefing note be circulated to Members of the Enterprise and Wellbeing Scrutiny Committee following the meeting of the Play Strategy Scrutiny Project Group in October, 2016 to update Members on the progress that had been made.

34 WORK PROGRAMME

The Chair noted that the Scrutiny Project Group on the former Queen's Park Sports Centre would start in January, 2017.

The Allotments Strategy item had been deferred and would be picked up with the Health and Wellbeing Manager at the pre-agenda for the next meeting.

The Chair advised on the ongoing work of the Leisure, Sport and Cultural Activities Scrutiny Project Group and reported that the group was still waiting for the closing down of the accounts for the build of new Queen's Park Sports Centre. At the Cabinet away day on 27 September, 2016, Cabinet Members had asked why the accounts had not been finalised and asked for this to be done quickly. The Chair hoped to report back to the committee in December, 2016 with an update.

RESOLVED –

- 1) That the Allotments Strategy item be discussed with the Health and Wellbeing Manager at the pre-agenda meeting on 14 November, 2016.
- 2) That an update on the Leisure, Sport and Cultural Activities Scrutiny Project Group be brought to the Enterprise and Wellbeing Scrutiny Committee meeting on 6 December, 2016.

35 MINUTES

RESOLVED –

That the Minutes be accepted as a correct record and be signed by the Chair.