

Minutes of a meeting of the Scrutiny Commission held at County Hall, Glenfield on Wednesday, 9 June 2021.

PRESENT

Mr. M. T. Mullaney CC (in the Chair)

Mrs. H. J. Fryer CC
Mr. S. J. Galton CC
Mr. Max Hunt CC
Mr. J. Morgan CC
Mrs. R. Page CC

Mr. T. J. Pendleton CC
Mr. L. Phillimore CC
Mr J. Poland CC
Mr. T. J. Richardson CC

In attendance

Mr L. Breckon CC

1. Appointment of Chairman.

RESOLVED:

That it be noted that Mr. M. T. Mullaney CC has been appointed Chairman of the Scrutiny Commission for the period ending with the Annual Meeting of the County Council in 2022 in accordance with Article 6.05 of the Constitution.

2. Chairman's Announcement

The Chairman thanked his predecessor, Mr Simon Galton CC, for his past work in chairing the Scrutiny Commission. The Chairman advised that Simon became Chairman of the Commission in 2009, taking over at the point when the findings of an external review conducted by Steve Nicklen of the Local Government Leadership Centre and Jessica Crowe of the Centre for Public Scrutiny had reported its findings, and was instrumental in developing the action plan to respond to the review. This included the development of guides and protocols for conducting scrutiny which still operated today. The Chairman said that Mr Galton's inclusive and apolitical approach had ensured that Scrutiny had been held in high regard both internally and in external assessments.

The Chairman also welcomed Mr Max Hunt CC who had been appointed the new Labour Group leader following the recent elections, taking over the role previously held by Dr Eynon who he thanked for her time as a Scrutiny Commissioner. The Chairman also thanked Mr Bedford, who was now a member of the Cabinet, for his work as a Commissioner.

3. 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 2022.

4. Minutes

The minutes of the meeting held on 15th March 2021 were taken as read, confirmed and signed.

5. Question Time.

The following questions, received under Standing Order 34 of the County Council's Constitution, was put to the Chairman of the Scrutiny Commission:

Question asked by Mrs Sharon Scott

“Please can the Chairman confirm that the Strategic Growth Plan (SGP) is no longer fit for purpose and should be reviewed with all urgency and before finalization of any district local plans for the following reasons:

1. The SGP is far too road-based. There is little or no consideration of rail transport, which should be considered a more sustainable option in the light of climate change issues. Large strategic developments are not sustainable if sited close to major road networks since they promote commuting by car and offer poor air quality. The emphasis for future work patterns should be on working from home or commuting by rail, not on building more roads and junctions. The increased likelihood of working from home removes the need to locate housing close to major road networks.
2. The main backbone of the SGP is the proposed A46 Expressway. Midland Connect have stated that they will not be seeking Government funding for this route. This cannot therefore be used as the main artery for growth. Since the proposed A46 Growth Corridor was a key feature of the SGP, the whole basis of the SGP is now flawed. Trying to rely on developers to provide the infrastructure will result in a haphazard mish mash of road structures and is inherently risky.
3. The over-arching aim of the SGP is to redistribute Leicester City's unmet need. However, this needs to be revisited in the light of the Covid pandemic. Many of the changes brought about by the pandemic are likely to become permanent and will completely change Leicester City's needs. It is likely that many people will continue to work from home for at least part of the week which will free up more brownfield sites in Leicester City due to office closures or downsizing. The likelihood of a large scale move to online shopping will also free up brownfield sites in the City which can be repurposed for housing. Leicester City should also be able to repurpose some of its disused retail and commercial buildings for distribution centres to provide 'final mile' delivery for online customers.
4. The SGP concentrates growth in the South West of the County. Following the designation of the East Midlands Airport as a Freeport site, it would make more sense to concentrate development in the North West of the County.

5. A key aim of the SGP was to protect Leicestershire villages from overdevelopment. It fails completely to do this in the case of Sapcote and Stoney Stanton. Indeed, the Council's response to Blaby's local plan questions the description of these settlements as 'medium villages' and suggests a more urban description would be appropriate. I know from speaking to local people that many residents of these villages settled in the area in the expectation of being able to live in a rural area and place a high value on being able to do so.
6. Current National Government focus shows a shift towards a heavily weighted preference for reuse of brownfield sites for new builds / employment land before using countryside. This is not reflected in the SGP.
7. The SGP fails to promote tourism in the County. Indeed, the Southern Growth area centered on Stoney Stanton SDA and the proposed HNRFI would completely destroy the setting and environment of Burbage Common and Woods, which is currently one of the best bluebell woods in the County and welcomes a large number of visitors both from within and outside of the County."

Reply by the Chairman

1. The SGP sets out indicative new essential infrastructure to support the housing, employment and other uses that existing and new communities will require in the future to enable ease of movement between communities. For many years planned growth has been 'bolted on' to existing communities, with infrastructure secured associated with the specific proposed development. This has meant that over time the cumulative impact on infrastructure has often become great. This is best illustrated through the impact on the Highways network where many parts of the network are operating at, or over capacity.

The vision in the SGP seeks to break this cycle through the provision of new key infrastructure to enable existing communities to grow at a more measured pace, providing new homes and access to jobs and services more easily, and to provide new communities in the form of garden communities, either as sustainable urban extensions or as free standing settlements.

It is too early at this time to say what the longer-term impacts of the pandemic might be on peoples' economic and social activity, and by extension travel habits. What is clear, is that traffic levels on the area's road network are continuing to increase as restriction are eased (as they are nationally). Private cars continue to be a key mode of transport, and although strong measures and initiatives are being taken to enable an increase in the use of alternative modes of transport, the reality is that in the more rural areas of Leicestershire cars are likely to form the most appropriate form of transport for longer journeys as other road based modes such as bus services may not be commercially viable.

Travel by rail continues to be considered. The Leicester and Leicestershire Rail Strategy (2017) delivers significant economic benefits from a range of improved and new direct rail services to and from Leicester and Leicestershire including reduced journey times to London and improved links to the north and the Thames Valley.

2. L&L partners are undertaking further evidence to aid the transition of the SGP to delivery through Local Plans, part of this evidence will look at whether a more local

orbital solution is required in the future to enable existing and future communities in Leicestershire and the City to access jobs and services. This may be the case even with the increase in home working in the longer term. It is also important to note that Midlands Connect has stated that it's study conclusion only held true if future growth in Leicester and Leicestershire is delivered in accordance with the SGP; otherwise, if a different approach were to be taken then an entirely new set of evidence would be required.

3. The City Council is undertaking further work and revisiting evidence it prepared, or had commissioned, to inform it's Draft City of Leicester Local Plan last Autumn in light of the accelerated changes we have seen due to the COVID-19 pandemic, BREXIT etc.

The County Council will carefully consider the revisited evidence, and any new evidence, to ensure 'no stone has been left unturned' in maximizing the amount of new development the City can accommodate without adversely effecting environmental quality and minimizing the amount of unmet need to be accommodated in the districts.

4. Significant growth is still directed towards the north west of the County in the SGP due to the location of major employment generators in this area and the location of Coalville and Loughborough. The successful bid to Government for an 'East Midlands Freport: The UK's Green Gateway for Growth', will require consideration of the scope to co-locate further future residential development close to the three key sites, which will focus on safeguarding our industrial strengths in advanced manufacturing, automotive and logistics and boosting our competitiveness in green opportunities.
5. Settlements in rural areas with a good range of services will continue to form hubs for further expansion as this is one of the most sustainable approaches to providing for growth in rural areas and will help to ensure services such as schools will continue to provide for the local community. A good mix of housing and employment helps to ensure local families and individuals are able to stay living in the area where their support networks exist.
6. The SGP is required to be compliant with the National Planning Policy Framework (NPPF) and although it may not be explicitly stated in the SGP it is the intent that brownfield sites in the 'right' locations are utilized before greenfield sites.
7. The SGP seeks to protect environmental, historic and other assets important to Leicester and Leicestershire. Balancing the need for growth with the protection of assets is a difficult challenge, however, unplanned growth can bring even more unacceptable consequences. As new Local Plans are prepared and come forward new evidence about assets will be gathered and will inform work on Local Plans.

Please note the approved SGP does not include a Southern Growth area designation.

The Chairman advised that Mrs Scott had confirmed to him that she did not have any supplementary questions and so had chosen not to join the meeting.

The Chairman thanked Mrs Scott for taking the time to engage with the Commission and for asking her questions today.

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

The Chief Executive reported that the following questions had been received under Standing Order 7(3) and 7(5) from Mr. M. Hunt CC.

- “1. When, and how, do officers expect to report the level of sectoral unemployment and other labour market indicators in the county to this committee, including the fortunes of the county’s multi-site Enterprise Zone and other major engagements.
2. [Leicester Shire and Rutland Statistics & Research](#) seem to have ceased publication of their Unemployment Bulletin. Is this information still published in a different form and frequency, if so where is the current source?
3. Recently Loughborough’s Brush Traction division of the US Wabtec Corporation closed with an expected loss of 300 high skilled jobs. This also occurred at a particular time when work to address the faults in Hitachi’s rolling stock was available. Was the county’s economic development team able to assist in bringing this situation to the attention of Government Ministers and if so with what response and effect?”

Reply by the Chairman

1. The Scrutiny Commission will receive a report as part of the consultation on the draft Economic Recovery Strategy, currently being developed by the LLEP at its meeting in September. In addition, there are a variety of dashboards available on [LSR-online](#) that look at the current information available including unemployment and universal credit (the latter includes in-work claimants), number of job postings, furlough and estimated employees furloughed by sector. Sectoral unemployment is expected to become clearer in the autumn when the government furlough scheme ends. There is also a Business and Economic Intelligence Update including relevant data published by the LLEP: <https://llep.org.uk/app/uploads/2021/06/LLEP-Business-and-Economic-Intelligence-Update-issue-20.pdf>. The LLEP are happy to add any stakeholders to the distribution list.
2. Prior to the pandemic it was agreed that the unemployment bulletin would no longer be published but that an annual report setting out the current socioeconomic data (population, economic, health etc) would be produced. This is still in development. The resurrection of the bulletin is being considered as part of the Economic Recovery Strategy work. However, the LLEP update (referred to in 1.) contains similar information to the bulletin, including unemployment commentary at district level and may be the best document to convey unemployment information in the future.
3. Following the news of the Brush redundancies being announced, the County Council’s Economic Growth Team have had discussions with Charnwood Borough Council and more recently have received an update from the Department for International Trade (DIT). It is also understood that the Department for Business, Energy & Industrial Strategy (BEIS) are supporting Brush. Further discussions are planned at the Economic Recovery Cell, the LRF multi-agency group chaired by the LLEP.

Supplementary questions

Mr Hunt CC asked on the response to question 3 if there were any outcomes from the discussions with Charnwood Borough Council, for details of the update from the DIT and whether a further update on discussions from the Economic Recovery Cell could be provided.

At the invitation of the Chairman, the Assistant Chief Executive responded and advised Member that on hearing about the situation at Brush, County Council Officers had made contact with both Charnwood Borough Council and the LLEP (Leicester and Leicestershire Enterprise Partnership) to check what steps were being taken to support the Company and affected employees and to see whether there was any support the County Council could provide. In those discussions, County Council officers were made aware that Ministers were fully aware of the developments at Brush and we were assured that the Department for BEIS and also the DWP were providing the support you would expect in this sort of situation. The Economic Recovery Cell being led by the LLEP was overseeing this activity and there was a meeting of that Cell due to take place in a week or so. The Assistant Chief Executive undertook to provide Mr Hunt with a written update following that meeting on the current state of play.

7. Urgent Items

There were no urgent items for consideration.

8. 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 and/or parish councils declared a personal interest in all items on the agenda so far as this was relevant.

Mr L. Phillimore CC declared a personal interest in agenda item 11 (Draft Overview and Scrutiny Annual Report 2020-21) so far as this referenced early years and SEND services as his wife worked in that field.

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

There were no declarations of the party whip.

10. Presentation of Petitions under Standing Order 35.

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

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 during 2020/21 taking account of the impact that Covid 19 restrictions have had on these services. The report also sought the views of the Commission on future plans for

recovery and growth. A copy of the report marked 'Agenda Item 10' is filed with these minutes.

The Chairman welcomed Mr L. Breckon CC, the new Cabinet Lead Member for Resources, to the meeting.

In presenting the report the Director highlighted that:

- Last year had been unprecedented in the challenges faced by LTS. Staff had, however, been excellent in managing and mitigating the impacts of Covid 19 so far as this was possible. Services had been reshaped to reduce costs and to make them more resilient to respond to changing circumstances. This and the prudent use of furlough had helped ensure an almost cost neutral position for 2020/21.
- The Council had sought to redeploy staff where possible. Some had been redeployed to support work critical to the fight against Covid, such as test and trace activities.
- The provision of school meals had continued though in an adapted form. The Service had managed the provision of food vouchers and food parcels and had provided other services to schools, such as IT support, to ensure they could continue to operate safely and effectively.
- The Service had operated the Covid Winter Grants Scheme with over 47,000 grants having been issued to people in need during the winter period.
- 2021/22 would be a recovery year and whilst some improvements were already being seen, there were still challenges ahead as restrictions remained in place.

Arising from discussion, the following points were made:

- (i) Members welcomed the report and the analysis provided within the Appendix. However, the Commission requested that in future reports, to help Members understanding of how each service was performing, a breakdown of income across geographical locations be provided. Members suggested this would help identify where improvements might be needed or where closer scrutiny might be required.

Members further raised concerns about the lack of detail regarding forecasted returns. Focus on the Services' overall turnover was not regarded as sufficient to fully understand how the Service was performing given that profitability was a key factor. Particularly as the figures within the report also did not take account of capital finance costs. Whilst it was acknowledged that most services, such as school meals, had low capital costs, these were higher for services like Beaumanor Hall. Without these figures, Members felt it was not clear which services were profitable and performing well, and which were not.

The Director reported that managers information was being improved for operational purposes, acknowledging that more detail was necessary to support both them and members in overseeing the Services' performance. He undertook to provide further financial detail and a breakdown in terms of geographical location in the next annual report.

- (ii) An annual report had understandably not been provided last year. However, a member expressed disappointment that the performance figures for 2019 had not been included in the current update. It was suggested that the inclusion of such figures would have provided a more holistic picture of where the Service was pre-

Covid compared to now.

- (iii) Members asked for clarification of the amount of money received from the Government to offset some of the costs of the Service during the year. The Director confirmed that several million pounds had been received through the Government's fees and charges scheme and its furlough scheme. It also received a cultural recovery grant of £250,000 which was used to carry out works to the Century Theatre whilst closed. The Director undertook to provide more detail on the amount received after the meeting.
- (iv) The catering contract secured with several schools in Luton had been entered into with caution, following appropriate due diligence and with an exit strategy put in place. The focus when entering into that contract had been on profitability. The Director confirmed the contract was making a profit as forecasted and the projection was that this would continue.
- (v) Members noted that the Council's Commercial Strategy included plans to seek growth not only in Leicestershire but also out of County to ensure the long-term sustainability and profitability of the Service. In terms of school meals, areas where it was known the profit margins would be sufficient (i.e. likely meet the target of an 8% return) were targeted. This generally meant city areas where there were high pupil numbers and a cluster of schools which would reduce overhead costs such as transport costs. The Director confirmed that generally, focus had been given to Leicester City and areas on the County's borders, though the Service would look more widely where appropriate.
- (vi) Whilst competition was increasing, the County Council's school meal service was doing well; in the region of £1m in income had been generated over the last three years. The Director emphasised, however, that whilst the County Council sought to generate a good return, it also sought to provide a high quality service and highlighted that the LTS School Food Team had been one of only two providers awarded gold standard by the Soil Association.
- (vii) Members were reminded that traded services and school meals had been the subject of two separate scrutiny review panels. Since then, with the support of Members, the Service had grown and, despite the set back of last year, had generated significant income for the County Council which had reduced the level of savings to be found elsewhere. The scrutiny review panel on school meals had identified that these were generally regarded as unsatisfactory, and the Service had since vastly improved its offer with satisfaction levels now being high. Members agreed that whilst the Service needed to be commercially competitive and generate profit, quality would also be important as a public sector provider.
- (viii) The business plan for Beacon Hill had been produced some years ago based on data available at that time. Since then, despite the café having been closed for part of the year, it had been busier than expected. Use of the facility had also altered with many people now preferring takeaway food, rather than eating in. The intention was to review the offer to better match current and expected future customer demand.
- (ix) A member enquired if increased use of take away rather than eat in services meant there had been an increase in waste and litter issues in country parks such as Beacon Hill. The Director reported that there had been an increase in litter last

summer. However, park rangers and other volunteers had worked with the County Council and carried out litter picking in those areas affected which had addressed the issue.

- (x) A member commented on the disparity in the location of country parks across Leicestershire and urged the County Council to look at its land holdings to see if it could secure a more equitable spread across the County. The member suggested that this had become a more evident issue during the pandemic as people's ability to travel outside their area meant not everyone had been able to enjoy these outdoor spaces. The Director agreed that country parks were predominantly located in the North West and middle of Leicestershire with little being located in the North or South. However, he emphasised that this was a historical issue outside of the control of the County Council and to open a new country park would be a very big undertaking. The Council would, however, look at any opportunities that came to light to redress the imbalance.

RESOLVED:

- (a) That the update now provided on the performance of Leicestershire Traded Services during 2020/21 taking account of the impact that Covid 19 restrictions have had on these services, be noted;
- (b) That future annual reports include more detail on capital costs and forecasted returns and provide a breakdown of income across geographical areas;
- (c) That the Director of Corporate Resource provide more detail on the specific amount received from Government which had offset some of LTS costs and loss of income.

12. Draft Overview and Scrutiny Annual Report 2020/21

The Commission considered the draft Overview and Scrutiny Annual Report which summarised some of the key highlights of scrutiny work undertaken during 2020/21. A copy of the report marked 'Agenda Item 11' is filed with these minutes.

Members supported the content of the report and requested that following its consideration by the County Council in July, a link to the report which would be published on the Council's website, be provided to all Members for wider circulation.

Members thanked officers and fellow elected Members across all tiers of local government for the exceptional work undertaken during the last year in responding to the pandemic. Members agreed that the work and dedication shown by all in supporting Leicestershire communities should be recognised.

RESOVLED:

- (a) That the draft Overview and Scrutiny Annual Report 2019/20 be approved for submission to the County Council on 8 July 2020;
- (b) That, following its consideration by the County Council in July, a copy of the Annual Report be provided to all Members for wider circulation.

13. Date of next meeting.

RESOLVED:

It was noted that the next meeting of the Commission would be held on 12th July 2021 starting at the earlier time of 10.00am.

10.30 - 11.38 am
09 June 2021

CHAIRMAN