



Minutes of a meeting of the Scrutiny Commission held at County Hall, Glenfield on Monday, 15 March 2021.

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. W. Liquorish JP CC
 Mrs. R. Page CC
 Mr. A. E. Pearson CC
 Mr. T. J. Richardson CC

55. Minutes.

The minutes of the meeting held on 25th January 2021 were taken as read, confirmed and signed.

56. Question Time.

The following question, received under Standing Order 34, was put to the Chairman of the Scrutiny Commission:

Question asked by Mr David Campbell-Kelly as Chairman of the Willoughby Waterleys Residents Association

“As Chairman of the Willoughby Waterleys Residents Association, the committee would like to ask the following questions on behalf of its members, relating to strategic growth within the County.

1. We understand that the Strategic Growth Plan is to be reviewed by the Members Advisory Group. As a member of MAG will the County Council seek to ensure that such review will be subject to public consultation before implementation by any MAG member in a Local Plan review?
2. Will the County Council ensure that such review will look at ALL options for strategic growth, including to the west of the City as presented by WWRA 18 months ago. (Updated report available if required)
3. Do the County Council agree that Leicester City's unmet housing need is not yet quantified, pending its Local Plan adoption? Is it also agreed that a Statement of Common Ground will be necessary to allocate any unmet need and will the County Council through the MAG seek to ensure that this is subject to public consultation?
4. Given that the A46 Expressway is not being progressed by Midland Connect, any required infrastructure will need to be funded by development. Why then has The County Council set aside circa £1.5m for Advanced Design Works for a new J20a

on the M1?

5. Blaby DC local plan consultation closed on 12th March 2021. Where and what was the County Council's response? Did it highlight that the allocation of strategic sites by Blaby in advance of an agreed Statement of Common Ground would be premature?"

Reply by the Chairman

1. If the SGP needs updating, the County Council will want to ensure the SGP is consulted upon before it is approved for use by all partners.
2. The scope and options considered will be determined by the MAG. The County Council will wish to ensure the latest evidence available is taken into account.
3. Leicester's unmet housing need will be quantified through its Local Plan process and a Statement of Common Ground will be prepared by the MAG to apportion the unmet need across the rest of the housing market area. The Statement of Common Ground will form part of the evidence for individual Local Plans which will be subject to consultation as part of the statutory Local Plan process.
4. It is appropriate to identify funds for potential works which have been identified in a strategy approved by partners.
5. The Cabinet at the County Council will be considering its response to Blaby District Council's New Local Plan Options document on 23 March 2021. Cabinet papers will be placed on the County Council's website on Monday, 15 March 2021.

Supplementary questions

Mr Campbell-Kelly asked the following supplementary questions on the responses provided and, at the invitation of the Chairman, the Assistant Chief Executive responded as set out below:

1. "At Harborough District Council's Cabinet meeting on 8th March it was agreed to amend its support for the SGP and gave its approval to the review already being undertaken by the MAG. Do the County Council accept that this review, in the light of the changed circumstances regarding the A46 Expressway and given that the MAG is a non-statutory body, should be the subject of a public consultation in the interest of transparency?"

Reply: The minutes from Harborough District Council's Cabinet meeting last week were not on its website yet and the Assistant Chief Executive could not therefore comment on what it had resolved. However, he confirmed that the MAG had decided to carry out a strategic programme of work to decide whether the SGP needed updating. It would be for the constituent authorities, advised by the MAG, to then decide whether the SGP would be updated and what public consultation would be undertaken.

In response to a query from the Chairman, the Assistant Chief Executive clarified that the MAG did not use the term review but in effect had agreed a programme of work to assess whether there was a need for a review.

2. “Given that the MAG is a non-statutory body how is it empowered to determine the scope and options and do the County Council agree that “the latest evidence” should include the Strategic option west of Leicester presented by WWRA?”

Reply: The MAG would come to a view on the scope and options and advise the constituent partner authorities that make up the MAG on this. It would then be for the constituent partner authorities to take decisions through their formal decision-making processes. The County Council would expect that the MAG would consider any representations it received.

3. “This answer confirms that a public consultation into the Statement of Common Ground (SoCG), before implementation in any Local Plan review, is not accepted. Transparency, which is imperative given the significant implications of the SoCG on local communities, would be improved if such a consultation were to take place. All the more so, as the MAG is a non-statutory body. Do the County Council not agree?”

Reply: The Statement of Common Ground would be prepared by the MAG but then signed off by each constituent authority through their formal decision-making processes which would provide transparency. The opportunity for consultation came through individual Local Plan processes in the normal way.

In response to clarification sought by the Chairman, the Assistant Chief Executive further confirmed that the County Council would be consulted on the proposed Statement of Common Ground and the Scrutiny Commission would receive an update on the interim Statement put in place to support Charnwood Borough Council’s Local Plan in due course.

4. “What transport strategy has already been undertaken that warrants such expenditure and what public consultation took place?”

Reply: A written response to this question would be provided following consultation with colleagues in the Environment and Transport Department.

5. “It is assumed therefore that the County Council has reached agreement with Blaby District to submit its consultation after the deadline date of 12th March 2021. Can representations still be made to The County Council before Cabinet and therefore before submission?”

Reply: The County Council submitted its comments before last Friday’s deadline set by Blaby District Council with the proviso that these comments were subject to the Cabinet’s consideration of this matter on March 23rd. Blaby District Council were aware and content with this approach. Representations on the Cabinet report could be made before the meeting on the 23rd.

57. 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).

58. Urgent items.

There were no urgent items for consideration.

59. Declarations of interest in respect of items on the agenda.

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 district and/or parish councils declared a person interest in item 10 relating to the 2020/21 Medium Term Financial Strategy Monitoring (Period 10) (minute 64 refers).

Mrs H. Fryer CC declared a personal interest in agenda item 8 (Strategic Property Energy Strategy 2020) which included reference to a solar farm in her division (Quorn and Barrow) and agenda item 10 (Medium Term Financial Strategy Monitoring (Period 10)), specifically the reference on page 57 to Rothley Primary School, as she chaired Charnwood Borough Council's Planning Committee.

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

There were no declarations of the party whip.

61. Presentation of Petitions under Standing Order 35.

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

62. Strategic Property Energy Strategy 2020 - 2030

The Commission considered a report of the Director of Corporate Resources regarding the revised Strategic Property Energy Strategy for 2020 – 2030 and accompanying action plan. A copy of the report marked agenda item 8 is filed with these minutes.

In presenting the report the Director emphasised that the Property Energy Strategy was essentially a sub-strategy of the Council's overarching Environment Strategy which the Council had approved last year. The latter looked holistically at the Council's approach across all service areas whereas the Property Energy Strategy set out work that would be specifically undertaken to reduce carbon emissions and deliver other environmental benefits across its own property portfolio.

Arising from discussion the following points were made:

- (i) The Strategy was welcomed and the ambitions and targets identified in the action plan supported, particularly as this included tangible results that would be measured over time. Members agreed that the Council should act as an exemplar of what could be achieved and agreed the planned Strategy worked to ensure this.
- (ii) Progress against the previous Strategy was also welcomed. A Member suggested that this work should be promoted to show how committed the Council was to delivering its net zero carbon target and to encourage partners to do the same.

- (iii) Given that the County Council itself only accounted for 1% of the total emissions generated in Leicestershire, the need to work jointly with others was emphasised. Whilst the Council's own strategy and delivery to date had been good, it did not have control over a number of factors that would be key to reducing carbon emissions across the County. Members noted that consideration was being given to how the Council might influence others to also take steps reduce their emissions.
- (iv) A member raised concerns that growth and increased housing numbers would inevitably increase carbon emissions across the area and said the County and district councils and the private sector would each need to play their part to address this. It was further suggested that as more people were now working from home, promoting and encouraging energy efficient homes would be increasingly important and necessary.
- (v) A member expressed concern that some of the Council's emissions had been exported to staff over the last year because of increased working from home. Whilst it was recognised that this was difficult to measure and monitor, members agreed that steps to help staff should be considered, particularly as this would likely have a cost impact. Members acknowledged that many staff now had reduced travel costs, but it was not clear if this outweighed increased energy costs particularly over the winter. The Director acknowledged there was more the Council could do to support staff. The approach had so far been to provide information and advice and to alert staff to government grants and initiatives which may be of benefit, but members were reassured that further consideration would be given to more practical steps which the Council could take.
- (vi) Members emphasised the need to ensure other Council policies took sufficient account of environmental impacts to ensure all activities of the Council worked to deliver its net zero carbon target by 2030. Members acknowledged that wider work was being undertaken across departments and with partners which was managed through the Council's Strategic Environment Team. Members noted that this work would be monitored by the Environment and Transport Overview and Scrutiny Committee.
- (vii) In response to a question, the Director confirmed that carbon emissions from the Council's water consumption was low and measures to reduce this further were disproportionately expensive. On balance therefore, these had not been prioritised and instead, more cost-effective interventions that would have a greater overall impact had been selected. Members were reassured that whilst no specific targets for reducing water consumption had been included in the Strategy, opportunities would still be considered, and steps taken where appropriate. The Director emphasised that the Council's water consumption was already quite low.
- (viii) A Member questioned how much the County was affected by emissions generated in the City and whether the City also had similar plans and strategies in place to address this. The Director advised that the report related to the County Council's assets only and did not therefore include data relating to the City's assets or emission levels. However, members noted that the City Council had also committed to reduce its emissions and therefore had its own strategies in place to deliver this. The Director confirmed that where

appropriate joint projects were undertaken with the City e.g. the purchasing of energy, park and ride and electric transport initiatives.

- (ix) A Member asked if the County and City Council had a joint transport strategy and highlighted that reducing transport into the City whilst positive, did have a negative effect on neighbouring areas that needed to be accounted for. The Chairman asked that the Director of Environment and Transport be requested to provide further information to the member on this issue which fell outside the remit of the current report.

RESOLVED:

That the comments now made by the Commission be report to the Cabinet at its meeting on 23rd March for consideration.

63. Airfield Farm Development Proposals

The Commission considered a report which sought comments on the proposed further development at Airfield Business Park in Market Harborough and proposals to seek Cabinet approval for the allocation of resources necessary to support the scheme, to submit a planning application for light industrial units covering a further 96, 717 sq. ft of the site and to proceed to tender to construct part of the space (81,376 sq. ft) as the next phase of the development. A copy of the report marked Agenda Item 9 is filed with these minutes.

In presenting the report, the Director reported that:

- In support of the Council's environmental approach and Property Energy Strategy targets, the proposed units would be built with the benefit of electric car charging points and photovoltaic panels.
- To reduce risk, marketing of the units would likely begin earlier than currently set out in the report to secure pre-lets wherever possible (i.e. agreements to lease the units before construction).

Arising from discussion, the following points were made:

- (i) This was a good scheme making excellent use of the site that would generate employment opportunities in the area. Although the return on investment was estimated to take 20 years, it was hoped that this would be significantly reduced by securing lower build costs following the planned tender exercise and increased rental figures on completion.
- (ii) It was not yet known what type of businesses might be attracted to the new units. The site had already attracted a wide range e.g. printers, bakers, storage facilities. Members noted that five out of ten of the tenants occupying the units completed under phase 2 of the scheme were local to the area and had been looking to expand. The other five had invested into the County from outside the area.
- (iii) It was not clear where future employers/employees occupying the units might live. A travel plan would be undertaken as part of the usual planning process. Members noted that as this was a County Council development on County Council owned land this would be a Regulation 3 application considered by the

County Council's Development Control and Regulatory Board. It was hoped that a planning application would be submitted next month.

- (iv) Like with any commercial development, there were risks related to the scheme. However, these were as expected for this scheme and not regarded as significant or unusual despite current economic uncertainty. Steps would be taken to reduce and manage risk including, for example, undertaking the planned fixed cost tender exercise for the next phase. Members noted that ultimately, the Council would benefit from rental income from the site if the scheme were delivered but would also benefit from capital growth if planning permission was secured, making this a marketable investment should the Council wish to sell.
- (v) A member alerted the Director to parking issues leading up to the site which stemmed from the neighbouring Innovation Centre. It was suggested that parking for the site would be addressed through the planning process.

RESOLVED:

That the comments now made by the Scrutiny Commission be reported to the Cabinet at its meeting on 23rd March 2021 for consideration.

64. 2020/21 Medium Term Financial Strategy Monitoring (Period 10)

The Commission considered a report of the Director of Corporate Resources, the purpose of which was to provide an update on the 2020/21 revenue budget and capital programme monitoring position as at the end of period 10 (the end of January 2021). A copy of the report marked 'Agenda Item 10' is filed with these minutes.

Arising from discussion the following points arose:

- (i) Each government grant was subject to its own conditions and many required the money to be spent within a set timeframe or at the very least by the end of the financial year. This was very difficult for many local authorities to achieve and therefore such conditions had been softened to require spend to only be committed this financial year. This meant some funds could now be carried forward to 2021/22. However, despite this, the potential funding gap in 2021/22 remained substantial.
- (ii) Nationally, vacancy levels in care homes had increased as views on preferred care settings continued to change towards care at home. Some providers were beginning to close some homes which were no longer viable, though this did not seem to be an issue in Leicestershire at the current time. The County Council had provided interim support to local care homes and they had adapted well during this difficult time. It was accepted, however, that further pressures on the market lay ahead.
- (iii) Members noted the overspend on commercial services, recognising that this had been a very difficult year for the Council's traded activities. Members were advised that services would be reviewed on a case by case basis. Where a fundamental review was necessary requiring significant changes to a service area, proposals would be presented to the Cabinet and the Scrutiny Commission in the usual way. Members noted that whilst some areas, such

as cafes in parks, had continued to do well, other areas had been significantly impacted by Covid restrictions, for example, Beaumanor Hall which had been closed for almost a year.

- (iv) The Cabinet would consider the reallocation of unringfenced undersependns as part of the usual outturn in May/June and redirect such funds as it considered appropriate at that time.
- (v) The M1 Junction 23/A512 overspend would not likely increase further as the scheme was due to be completed in May 2021. It was hoped that further funding received through section 106 developer contributions would reduce the overall cost to the Council.
- (vi) A member questioned what would happen to the section 106 funding secured for the creation of secondary places in the Coalville area now that this could not be used towards a new building at Newbridge High School. The Director advised that this would depend on the specific terms of the section 106 agreement entered into with the developer. The Head of Law confirmed that the agreement would be reviewed to ensure, as far as possible, the funding was not lost but reallocated as appropriate.
- (vii) A member asked for an update on the proposed development of Leaders Farm in Lutterworth which had been progressing for some time. The Director confirmed this was not yet developed enough to be regarded as a live scheme within the capital programme. Work to secure planning permission for the site was still in progress.
- (viii) A member raised concern about the continued slippage and increased costs for the proposed Zouch Bridge replacement which had been ongoing since 2013. Members noted that refurbishment techniques had improved over recent years and consideration would therefore be over the summer to whether this would be a viable option, as opposed to its replacement. A further update would be provided as part of the MTFS monitoring report in the Autumn. The Director confirmed that the bridge continued to be subject to regular inspections and that works to date had ensured that it had remained open. Whilst it was noted that the River Soar was the boundary between Leicestershire and Nottinghamshire, the bridge fell within Leicestershire County Council's remit.
- (ix) Members raised concerns about the length of time some schemes remained listed in the capital programme and questioned how these were reviewed to ensure extensions or other changes did not affect the best value assessments or forecasted yield/returns estimated when they were first agreed, particularly when some were listed for several years. A member raised further concerns about schemes not listed in the programme but which were under development (such as Leaders Farm) and which still incurred costs in the background. Members questioned how long a scheme was or should continue to be pursued, the cost implications of this and what was the overall impact on the capital programme.

The Director emphasised that schemes tended to be added to the capital programme long before construction works began. This was felt to be appropriate to allow for proper oversight and management of the programme

over the duration of the MTFS (i.e. 4 years). However, it was acknowledged that timescales were sometimes overoptimistic, and this was something officers were seeking to address.

The Director confirmed that the continued extension of schemes could result in increased costs and use of officer time. Members noted that business cases for a project would be assessed at the outset and thereafter reviewed as necessary following any change, but a review of the overall capital programme for the overall impact of delays was not carried out.

The Director agreed to consider the concerns now raised both in respect of individual schemes and the programme overall. He further agreed to consider the need for stricter timelines for both schemes listed in the capital programme and those which were under development. Members requested that the next MTFS monitoring report presented to the Commission provide some narrative on these issues and detail projects which had been delayed, the justification for this and potential cost implications.

RESOLVED:

- (a) That the update now provided be noted;
- (b) That the Director of Corporate Resources be requested to consider the concerns now raised by the Commission and to provide an update in the next MTFS Monitoring report to the Commission in the Autumn.

65. Date of next meeting.

RESOLVED:

It was noted that the next meeting of the Commission was scheduled to take place on 14 April at 10.30am.

10.00 am - 11.42 am
15 March 2021

CHAIRMAN

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