

**MINUTES OF TOURISM, ECONOMY AND RESOURCES SCRUTINY COMMITTEE MEETING -  
WEDNESDAY, 13 DECEMBER 2017**

**Present:**

Councillor Hunter (in the Chair)

Councillors

Mrs Callow JP	Galley	Ryan
G Coleman	Mitchell	D Scott

**In Attendance:**

Mr Alan Cavill, Director of Place

Mr Antony Lockley, Director of Strategic Delivery Mr Peter Legg, Head of

Mr Steve Thompson, Director of Resources

Mr Peter Legg, Head of Economic and Cultural Services

Mr Mike Taplin, Head of Adult Learning / Senior Programme Manager

Mr Scott Butterfield, Corporate Development Manager

Mr Sandip Mahajan, Senior Democratic Governance Adviser

Councillor Simon Blackburn, Leader of the Council

Councillor Fred Jackson, Cabinet Member for Highways and Environmental Services

Councillor Mark Smith, Cabinet Member for Regeneration, Enterprise and Economic Development

**1 DECLARATIONS OF INTEREST**

There were no declarations of interest on this occasion.

**2 MINUTES OF THE LAST MEETING HELD ON 25 OCTOBER 2017**

The Committee agreed that the minutes of the Tourism, Economy and Resources Scrutiny Committee meeting held on 25 October 2017 be signed by the Chairman as a correct record.

**3 PUBLIC SPEAKING**

The Committee noted that there were no applications to speak by members of the public on this occasion.

**4 EXECUTIVE AND CABINET MEMBER DECISIONS**

The Committee considered the Executive and Cabinet Member decisions, within its remit, taken since the last meeting of the Committee on 25 October 2017.

Members referred to decision PH58/2017 'Strategic acquisition at Blackpool Airport Enterprise Zone' of the Helicentre for £423,500 and enquired what governance and management structure would be adopted and what would happen to staff at the existing operator. Members also referred to PH59/2017 'Town Centre Investment - Purchase of the Hop Public House'. The decision involved the purchase of the Public House for £264.5k to allow wider strategic development and potentially up to £120k for conversion

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or demolition. Members noted that the two purchases had been funded from capital receipts and prudential borrowing and enquired what proportions were involved.

Councillor Simon Blackburn, Leader of the Council explained that the Council would be responsible for governance and management so was developing appropriate structures. An operating company and land holding and enterprise company would be formed and wholly owned by the Council. Independent directors would be appointed and the Council's political groups would put forward their nominees as other directors. Mr Alan Cavill, Director of Place explained that staff working with the existing operator, Squire Gate Operations Limited, would continue to be contracted to undertake the same roles going forward. The Leader added that the Council adhered to the Joseph Roundtree Foundation's Living Wage which could mean improved conditions for some transferred staff.

Mr Alan Cavill reported that £500k of capital receipts had been used to fund the two purchases supplemented by prudential borrowing. He added that significant rental income per annum was anticipated from the Helicentre site.

In response to a further question relating to the strategic use of the Hop Public House site, the Leader advised that up-to-date details of the Phase Three of the Talbot Gateway (Central Business District) development would be available publicly in due course.

Members noted decision EX32/2017 'Sundry debt, business rates, council tax and housing benefit overpayment write offs' which involved large financial amounts and queried the reasons for the £424.5k of overpayments.

The Leader agreed that the housing benefit overpayments were significant but needed to be considered within the context of £85m worth of housing benefit payments in total. Mr Steve Thompson, Director of Resources explained that there were various causes resulting in overpayments but generally linked to timing of claims, e.g. a change in a claimant's circumstances requiring entitlement re-calculation might only take effect after some overpayments had been made. The Department for Work and Pensions were responsible for providing a lot of information which often took time getting over to the Council. The Department, Council and claimants could make errors. Sometimes there would be fraudulent claims. He added that if the Department for Work and Pensions made errors then it would be possible to claim overpayments back through the Council's annual Housing Benefit Subsidy claim to the Department. There had been overpayments going back some time which had recently been reviewed to ensure only active cases remained.

Members enquired if it was possible to comment upon the content for the Local Transport Plan (2011-16) which would be running as an extended Plan until April 2018. The Leader welcomed any comments for consideration and suggested that they were sent direct to him and Councillor Fred Jackson, Cabinet Member for Highways and Environmental Services.

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**5 FORWARD PLAN**

The Committee considered the items contained within the Forward Plan, December 2017 - April 2018, relating to the portfolios of the Cabinet Members whose responsibilities fell within the remit of the Committee.

Members referred to the forthcoming decision EX/24/2017 'Town Centre Investment' and enquired when development works were expected to commence on the Houndshill Car Park site and when business tenants would be secured.

Councillor Mark Smith, Cabinet Member for Regeneration, Enterprise and Economic Development confirmed that development would be progressing shortly. The Leader explained that development principles concerning the site extension and usage had needed to be agreed with partners. These included the developer being responsible for securing tenants, some negotiations were completed and some ongoing. He added that the developer was proactive and tenants were expected to move in during 2018. Returns on investment would then start to be made.

Members noted the forthcoming decision EX/8/2017 'Applications for Loans above £500k' and enquired how many applications had been made. The Leader reported that a business loans target of £60m had been set and applications for £71.3m had been received. Some loans had been agreed and others were at negotiation stage with due diligence / heads of terms to be completed. He added that it was hoped to issue agreed loans within the current financial year 2017-2018.

Members referred to the forthcoming decision EX/19/2017 'Housing Strategy' and queried if developing sheltered housing would be included within the Strategy. Mr Antony Lockley, Director of Strategic Delivery reported that the Strategy would be considered at the start of 2018 and provided an overall strategic direction including links to sub-strategies. The Homes and Ageing Population Strategy came within the broader Housing Strategy and would incorporate sheltered housing requirements.

**6 FINANCIAL PERFORMANCE MONITORING AS AT MONTH 7 2017/2018**

Mr Thompson, Director of Resources presented the level of spending against the Council's Revenue and Capital budgets for the first seven months to 31 October 2017. He reported that performance had been improving over the previous quarter but had declined for month seven (October 2017) of the financial year. Collection of Council Tax and Business Rates had seen improvements year-on-year.

In response to a suggestion that financial reporting summaries of Children's Services had been more effectively presented in the past, Mr Thompson explained that the relevant detail was still contained within the report appendices. He added that the recent budget impact had been mainly due to increasing costs within Children's Services primarily Children's Social Care which had a forecast overspend of £4.62m. However, that needed to be considered within the context of the Council's budget having reduced by £137m in recent years with government funding reductions.

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The Leader added that service demand pressures (from families requiring support or other action) were not predictable and demand could be skewed by a small number of cases. He added that initiatives included recruiting temporary administrative staff in 2018 would free up time for social workers to focus on supporting families, in particular identifying children who could be safely released from Child Protection Plans which required time as producing court orders for consideration was required.

Members enquired if families coming in from areas outside of Blackpool were increasing pressures and whether family planning was being promoted.

The Leader explained that Children's Social Care was working with families who were mostly established in Blackpool. Family Planning and sexual health awareness were important. He cited effective approaches, e.g. Long Acting Reversible Contraceptives (LARCs) for women which had reduced teenage pregnancies and added that men needed to take responsibility too. He added that focused positive action such as creating aspirational goals for young people could reduce demand pressures.

He referred to schools which were important for supporting young people. Primary schools were more effective for pastoral care than secondary school academies. These could be more focused on academic and other targets. It was important to build good working relationships with secondary school head-teachers and this was being pursued effectively at a senior level within the Council and with regional government officials. Other approaches included use of people to act as 'role models' to encourage young people. Young people and families needed to understand healthy relationships.

Members referred to the ten year Better Start Programme which had a budget of £45m from 2015 to 2025 to reduce problems through developing effective support for families particularly in deprived wards. The Leader explained that change took time and that the Better Start Programme aimed to reduce pressures at early stages of pregnancy and a child's life. Good development for a child in their first three years was known to have a positive longer-term impact. However, change took time and the Programme had been running less than three years.

The Leader added that the Better Start Programme was robustly monitored including reports to the Resilient Communities and Children's Scrutiny Committee. Officials from The Big Lottery, which funded the Programme, were keen that innovation was applied and changes made to secure effective outcomes. He added that the Better Start Board also had a new independent chair.

Members noted that there was a contradiction in the report referring to delays in taking out any new long-term borrowing and then reference to having increased both new short-term and long-term borrowing. The Leader confirmed that short-term and long-term borrowing had increased. He explained that the period for receiving loan applications through to issuing funding was in the region of three months. He added that loans could be delayed due to the applicant so it was important for effective timings. He re-iterated that £71.3m loans had been applied for and the full amount could be given within the current financial year. He added that risks were considered but loans could still fail to deliver optimum returns. Interest returns on the loans would take some time to come through.

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Members noted that Treasury Management had a good investment performance record but this did not appear to still be the case. Mr Thompson explained that there was a savings target (of £1.8m) within the budget and that investment returns, on the Business Loans of potentially £71.3m, would be delivered in due course. He expected Treasury Management performance to improve over the next month.

Members noted that working cash balances were at risk being closer to £2m rather than the target £3m. Mr Thompson gave assurance that the £3m target was being pursued.

Members queried why there had been delays with implementing on-street parking changes which had resulted in those budget targets not being met. The Leader explained that the Highways Service had planned to implement the changes in good time but now that the major roadworks programme around town had started it was more appropriate to reschedule the parking changes. In response to some new yellow lines having reduced parking spaces, he explained that these were not connected issues.

Members referred to the Print Services reduced income and review which had taken some time to complete. Mr Cavill explained that staff had been given the opportunity to take forward their income suggestions but the targets sought had not been achieved so the service review was now required. Staff would be consulted with a new service planned to come into effect from the start of the 2018-2019 financial year in April 2018.

Members enquired what the cost of the Illuminations Switch-on event had been to the Council and queried why the cost of Very Important Persons (VIP) tickets for the Live Wire event had been lower than usual as this could have impacted upon revenue. Mr Cavill explained that switch-on costs had been in the region of £200k. The Leader added that the Live Wire event had been outsourced to the Sands Venue who had been responsible for ticket pricing but more tickets had been sold. Next year, in 2018, it was proposed to combine the Switch-on and Live Wire events as a more cost-effective approach.

**7 REPORTING THE USE OF EXTERNAL CONSULTANTS 2016/2017**

Mr Thompson, Director of Resources presented consultancy spend across the Council for 2016-2017.

Members referred to the Blackpool Museum Project for the Winter Gardens which they welcomed as a 'museum in Blackpool' and expressed confidence in the ability of officers to deliver the project. However, they queried why survey costs had been so high, sought assurance that the museum proposals would not incur unnecessarily high costs on surveys and that cost control would be robust to ensure sustainability.

The Leader reported that structural survey work had been necessary and that most of the costs had been secured through the Heritage Lottery Fund. He added that the project site was also considered by the Lancashire Enterprise Fund as a scheme of wider Lancashire and northern regeneration interest. He confirmed that there was close working with officers to ensure robust challenge and value for money. He explained that the next stage would be for seeking project approval by the Heritage Lottery Fund and the Department for Culture, Media and Sport.

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**8 COUNCIL PLAN PERFORMANCE REPORT Q2 2017/2018 - ENTERPRISE SKILLS AND ECONOMIC INCLUSION**

Mr Scott Butterfield, Transformation Manager, Corporate Delivery Unit presented progress with Council Plan performance indicators for the period 1 April 2017 to 30 September 2017 with reference to Enterprise Skills and Economic Inclusion. Both Heads of Service were present to answer any detailed questions including on their Service Overview reports (Agenda Item 9 refers) which were considered as part of the performance report item.

Mr Butterfield explained that a revised approach had been developed with seven comprehensive indicators of which four had recent comparative data and three were measured annually. One performance indicator on numbers of new businesses started within the financial year 2016-2017 was not meeting its target and explanatory detail was provided within an 'exceptions' commentary page.

Members welcomed the presentational format which highlighted by colour whether targets were on track or not. They noted that many people had been supported into work through the 'Positive Steps into Work' programme from 2014-2015 but queried why numbers had been far lower for the last year 2016-2017.

Mr Peter Legg, Head of Economic and Cultural Services explained that each year there were a number of employer related projects. During 2014-2015, the 'Work Programme' was the most significant support programme stemming from the Department for Work and Pensions. It was an established programme having been running for several years. Referrals to that Programme had been high and many people had been supported into work. However, since then referral numbers had decreased. Other programmes had started since 2014-2015 which meant less dependence on one programme. The new programmes had fewer referrals, i.e. less people to support so one challenge was ensuring that they remained sustainable.

He cited the new Healthworks Centre in the town centre which housed nearly forty project staff supporting people. People being supported had a wide range of complex needs including mental health difficulties, substance abuse and other issues such as transience representing real challenges across Blackpool so it took longer to help them. Blackpool had higher than average numbers of people out of work and with complex needs.

Mr Legg acknowledged that there had been limited success with the new programmes to date but the market was well understood for taking forward work. He gave assurance that the programmes aimed to support all people and added that the Department for Work and Pensions had recognised that the 'Work Programme' had not been effective in supporting people with complex needs so the new approach had been advocated. He added that a new 'Health and Work' programme had been commissioned to start early in 2018.

Members referred to a previous 'Enterprise Challenge' which had been modelled on the national Dragon's Den competition concept to promote young entrepreneurs. It had been good value for money and had attracted good interest. They enquired if a similar concept

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could be done again. Mr Legg acknowledged that the concept had had been effective with a number of businesses started in the event that were still running. He added that other concepts had taken place albeit with slightly less success although innovative schemes were still being explored. He referred to the 'You can do it' programme which offered businesses external funding of £40k focusing on young people aged 16 to 24 years old. He confirmed that he would review the 'Enterprise Challenge' concept and what had made it come with the potential to run a similar event.

Mr Legg referred to a successful Enterprise Week held in November 2017 across eleven wards which had attracted over 300 people. The next such event would be bigger.

He referred to the staffing within the Economic and Cultural Service supporting people. There were only two Small and Medium Enterprise (SME) Advisors. One Advisor focused on supporting day-to-day operational activities of businesses and the other Advisor supported new businesses within the first three years of activity from getting started through to sales and marketing and becoming sustainable.

Mr Mike Taplin, Head of Adult Learning / Senior Programme Manager added that some potential new business people attended 'Getting Started' support groups. They were able to gain skills and develop confidence.

### **9 ENTERPRISE, SKILLS AND ECONOMIC INCLUSION**

This overview item on Enterprise, Skills and Economic Inclusion was considered as part of the previous item on the Council Plan performance indicators for the same service areas.

### **10 SCRUTINY WORKPLAN**

Members referred to the impact of recent localised flooding including electricity failures and the need to ensure that lessons were learnt to ensure that effective preventive, response and support measures were in place for the future. They were keen that prompt consideration was given to the issue. Reference was made to a Scrutiny Review undertaken in 2013 and needing to review progress with the implementation and effectiveness of recommendations.

It was proposed that an initial meeting should be held involving the Chairman, Vice-Chairman and Head of Flood Management and Environmental Protection to discuss progress with the previous review, current issues and work, focus for any Scrutiny review and potential added value. It could then be decided whether the item should be considered at the February 2018 meeting taking into account the Annual Flood Report 2016-2017 that was currently scheduled for the April 2018 meeting. Members particularly wished that United Utilities should be invited and encouraged to attend the relevant Committee meeting. The Consumer Council for Water could also be invited.

Members added that they wanted the efforts of staff and volunteers in responding to recent events to be noted.

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The Committee agreed:

1. To approve the Scrutiny Workplan subject to adding a potential report for the February 2018 meeting on progress with work from the Scrutiny Flooding Review held in 2013, recent flooding issues in late 2017 and the response, support for people and preventative measures.
2. To note the 'Implementation of Recommendations' table.

**11 DATE OF NEXT MEETING**

The Committee noted the date and time of the next meetings as 1) the Budget Scrutiny Consultation meeting on Friday 9 February 2018 commencing at 10am in Committee Room A, Blackpool Town Hall; and 2) the regular Committee meeting on Wednesday 21 February 2018 commencing at 6pm in Committee Room A, Blackpool Town Hall.

**Chairman**

(The meeting ended at 7.45 pm)

Any queries regarding these minutes, please contact:  
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