

**MINUTES OF TOURISM, ECONOMY AND RESOURCES SCRUTINY COMMITTEE MEETING -  
THURSDAY, 15 DECEMBER 2016**

**Present:**

Councillor Hunter (in the Chair)

Councillors

Mrs Callow JP  
Galley

Hobson  
Hutton

Matthews  
Singleton

L Williams

**In Attendance:**

Councillor Simon Blackburn, Leader of the Council

Councillor Fred Jackson, Cabinet Member for Environmental Services and Highways

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

Mr Steve Thompson, Director of Resources

Mr Alan Cavill, Director of Place

Mr Antony Lockley, Strategic Head of Development

Mr Peter Legg, Blackpool Council

Mrs Ruth Henshaw, Engagement and Intelligence Officer

Mr Steve Sienkiewicz, Democratic Governance.

**1 DECLARATIONS OF INTEREST**

There were no declarations of interest on this occasion.

**2 MINUTES OF THE LAST MEETING HELD ON 27 OCTOBER 2016**

The Committee agreed that the minutes of the last meeting held on 27 October 2016 be signed by the Chairman as a true and correct record.

**3 PUBLIC SPEAKING**

The Committee noted that there were no applications from members of the public to speak at the meeting.

**4 EXECUTIVE AND CABINET MEMBER DECISIONS**

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The Committee considered the Executive and Cabinet Member decisions within the portfolios of the Leader of the Council and Deputy Leader of the Council, taken since the last meeting of the Committee.

Councillor Blackburn, Leader of the Council, responded to questions from the Committee about decision PH/69/2016 'Foxhall Village Surface Water Drainage Works', in particular the second part of the decision 'to note that if United Utilities contribution was not received by the end of the financial year, another report would be submitted to the Executive explaining how United Utilities contribution of £400,000 was to be funded'. Members expressed concern at the fact the money had not yet been paid and asked what was being done to recover it. Councillor Blackburn explained the complexities involved in dealing with United Utilities, expounded by the large volume of contractual obligations which the organisation had with Councils across the country, which lead to inevitable delays. There was also a question over the agreement of scheduling payments and reaching agreement over the total amount involved. He did however confirm that it was the only contract that the Council was looking to reach final agreement on with United Utilities and that it would not impact upon any other work in the town being undertaken by that organisation.

In responding to suggestions from the Committee that more pressure should be applied to ensure the money was forthcoming, Councillor Blackburn explained that as Leader of the Council, he was obliged to maintain sound relationships with stakeholder organisations such as United Utilities, but stressed that the action being taken to conclude the matter was entirely appropriate in the circumstances. He did however state that he would speak to the relevant Cabinet Member to gain assurances that everything possible was being done to expedite a satisfactory resolution.

The Committee agreed to note the Executive and Cabinet Member decisions.

## **5 FORWARD PLAN**

The Committee considered the items contained within the Forward Plan, December 2016 – March 2017, that related to the portfolios of the Leader of the Council and Deputy Leader of the Council.

The Committee requested further details be provided in connection with decision reference 15/2016 'Article 4 Direction Order Raikes Parade', which would remove permitted development rights in Raikes Hall conservation area, therefore bringing minor development within the planning system to ensure sensitive change which would not erode the character of the area. Councillor Blackburn, Leader of the Council explained that the area in question was of particular interest for the heritage of Blackpool and that taking the proposed action was one of a number of ways to manage development within an area of the town that was considered special.

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A number of questions were raised in connection with decision reference 32/2016 'Hotel Development Talbot Gateway'. Asked to outline the key differences between the previous hotel development plan and that envisaged under the latest proposal, Councillor Blackburn explained that the previous plan was not pursued mainly due to escalating costs, which rose from the £12m envisaged originally, to close to £20m. On that basis, there would have been no dividend payable to the Council. It was further explained that the developers had scaled back proposals in line with the original costings of £12m, but the revised proposals were judged to be inadequate in terms of facilities and quality. Regarding the new plans for the Wilkinsons site, Councillor Blackburn explained that he was confident that the development, subject to all of the measures of due diligence, would provide the facilities as originally planned. When questioned regarding the timescales for start of construction, Councillor Blackburn explained he was unable to give any firm undertakings at this time.

In connection with decision reference 33/2016 'Review of Sex Establishment Policy', the Committee received reassurance from Councillor Blackburn that the review would not lead to a relaxation of the current policy and a subsequent increase in the number of sex establishments in the town.

The Committee agreed to note the Forward Plan items.

**6 FINANCIAL PERFORMANCE MONITORING AS AT MONTH 7 2016/2017**

The Committee considered the financial performance monitoring report, which set out the summary revenue budget position for the Council and its individual directorates for month 7, the period April 2016 – October 2016, together with an outlook for the remainder of the year. The report was complemented with an assessment of progress to date against the latest capital programme.

The report was presented by Mr Thompson, Director of Resources. He provided an overview of the current situation, which was a month 7 forecast overspend of £2.628k for 2016/17. He explained that the main focus was on Children's Services, the financial situation for which had become progressively worse over the course of the year. The reason was largely due to the increased number of looked after children, of which there had been a 10% increase in the last year to 509, together with an increase in associated costs. As a result, a £3.988m overspend was forecast within Children's Services.

Mr Thompson went on to explain that all other directorates were delivering on their financial targets and in some cases, further savings were being made. Income collection was an area of high priority and Mr Thompson explained that by the end of the financial year, he anticipated a positive increase in business rates collection. He added that following the approval to review the Council Tax Reduction Scheme, there would be a new policy to protect the most vulnerable people.

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Mr Thompson responded to a number of questions from the Committee. Noting the savings that had been achieved in a number of directorates, the Committee asked about the possibility of achieving a target position at year end. Councillor Blackburn explained that it would be impossible to recover from an almost £4m overspend within Children's Services and that any deficit would be built into the budget model for coming years.

The Committee pointed out that compared with the current figure of over 500, that in March 2010, there had been approximately 370 looked after children from Blackpool. In view of that increase, it was asked whether it would have been prudent to assume that more money would have been needed, year on year. Mr Thompson explained that the situation was a very difficult balancing act and if wrong assumptions were made, such action might lead to further unnecessary cuts and/or redundancies in other areas. The Committee noted the unsuccessful innovation bids that were submitted to the Department for Education, as detailed in the report. Questions were asked as to the reasons for the failure of the bids and the costs associated with the submission. Councillor Blackburn explained that any costs were associated with staff time, although an initial analysis would normally be carried out to assess the possibility of success. He agreed to find out the reasons for the bids not being successful and to circulate the information to Committee Members.

The Committee discussed further the escalating costs in relation to Children's Services and questioned whether it was now time for the Council to invest more in its own children's homes, with a view to reducing the costs paid to the private sector. Councillor Blackburn explained his belief that children thrive better in foster care and therefore additional children's homes were not considered to be the best solution. He explained an ambition to undertake more work with the voluntary and third sector to explore possibilities for small therapeutic units within the town. He went on to acknowledge the huge costs associated with out of town placements and added the need to be realistic in terms of timescales for improvements, which should be considered in terms of years rather than months. On the subject of the ability to further increase council tax rises in forthcoming years to offset costs, Councillor Blackburn pointed out that the projected increase in coming years might raise approximately £2.5m against the projected overspend of £4m. He added that the greater the increase in tax would be met by an increase in the amount of people who struggled to pay.

The Committee expressed concern that the welfare of vulnerable children might be put at risk as a result of the mounting financial pressures and asked for assurance that no child would suffer as a consequence. Councillor Blackburn responded by explaining that such an assurance had been given following the Ofsted report into Blackpool's Children's Services in 2012. Decisions were based upon need and not finance, a situation that remained the case in the current time.

The Committee raised the issue of ward budget funding, pointing out that certain wards had reserves of between 25k and 30k. It was questioned whether it was time to consider placing restrictions on ward budget spending with a view to the funds being diverted into

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Children's Services. Councillor Blackburn responded by explaining the reasons for resisting the removal or further erosion of the ward budgets, in that the money was used to fund projects that could not be funded via other means and such projects delivered real positive change at local level. He encouraged Members to make the most of the budgets and explained that if the money remained unspent, it was likely to be removed.

The Committee discussed the current status of the former Tower Lounge premises that had previously been occupied by Harry Ramsdens and was now vacant. It questioned why such a prime and important site had not yet attracted new occupants. Councillor Blackburn pointed out that Harry Ramsdens were now occupying premises rented by the Council which was more in keeping with the tenants heritage and brand. He added that tenants were currently being sought for the Tower Lounge who understood the seasonal pressures of occupying such a site, although he was confident that due to the site's prime location and commercial value, that it would not remain empty for a lengthy period of time.

The Committee agreed to note the report.

Background papers: None.

**7 COUNCIL PLAN PERFORMANCE REPORT QUARTER 2 2016/2017**

The Committee considered the performance report against the Council Plan 2015-2020 for the period 1 July – 30 September 2016. The report was presented by Mrs Henshaw, Delivery and Development Officer.

It was noted that in relation to the reporting mechanism for visitor numbers, it was difficult to compare the first quarterly figure for 2016/17 with the final bottom line figure for the previous two years. Mrs Henshaw explained that the column headers within the reporting table were based on financial years, whereas footfall visitor numbers were based on a calendar year.

The Committee agreed to note the report and requested a method of reporting that made it possible to carry out like for like comparisons in the future.

Background papers: None.

**8 LANCASHIRE COMBINED AUTHORITY**

The Committee considered a report that provided an overview of recent activity and progress towards the formation of a Lancashire Combined Authority.

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Responding to questions from the Committee about the model of scrutiny that was proposed for the Combined Authority, Councillor Blackburn explained that based upon the current draft constitution, there would be a separate Scrutiny Committee for the Combined Authority. This would comprise of members from across the County and would be politically balanced. He also envisaged that scrutiny would take place within Blackpool Council both at the Tourism, Economy and Resources Scrutiny Committee and at Full Council meetings. In the case of the latter, the Committee asked whether a time limit would be imposed at Full Council and expressed concern that scrutiny's ability to operate effectively could be jeopardised if that was the case. Councillor Blackburn explained that since the time limit was imposed for agenda items at full Council, there were only three occasions when it had been reached and on each of those occasions, additional time had been allowed. The reason for the time limit was to prevent repeat points being continually raised and he did not foresee it being an issue for any item that related to scrutiny of the Combined Authority. He added that he envisaged the subject matter becoming a separate item on the Council agenda and that constitutional changes would be required in due course.

On the subject of devolution of housing, the Committee questioned whether there would be a devolved housing target. Councillor Blackburn explained that there would be no such target. He advised that firstly, there would be the formation of the Combined Authority in 2017 and that a further devolution deal was likely to follow. The Combined Authority would decide on housing numbers across Lancashire which would then enable further conversations as to where the developments would be located.

Asked whether Combined Authority decisions would be imposed upon individual councils in the event that unanimous agreements were unable to be reached, Councillor Blackburn stated that such circumstances would be highly unlikely. He explained that the types of decisions that would be taken at Combined Authority level would be those that affected the whole area and not individual councils, who would retain the same decision making powers that they currently had.

Responding to questions regarding what the process would be if an individual Council wished to leave the Combined Authority, Councillor Blackburn explained that notification would need to be made to the Secretary of State and a subsequent amendment made to the Parliamentary Order.

The Committee agreed to note the report.

Background papers: None.

## **9 ECONOMIC DEVELOPMENT INITIATIVES**

The Committee considered a report which provided an overview of key economic development initiatives aiming to drive the growth and viability in the local economy.

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The report was presented by Mr Cavill, Director of Place, who responded to questions from the Committee in connection with the content of the report. Asked about the success rate of new start businesses that had been assisted via the Council's Business Support team, this was reported at 96.6%.

It was noted that demand had risen for Council managed workspace at the Blackpool Enterprise Centre and FYCreatives. Councillor Smith said that the level of occupancy was high at present with one free unit at the Enterprise Centre out of 30 units, and Mr Cavill confirmed one free unit out of 15 at FYCreatives.

Mr Cavill was asked to confirm the figures that reported an additional 100 jobs at the new Harry Ramsdens restaurant. He agreed to check the figures but pointed out that they would include part time employees.

Questioned about the branding for the Enterprise zone and specifically whether Blackpool would be staying with the Blackpool Unlimited brand, Mr Cavill explained that future branding decisions were undecided and would form part of next year's Enterprise zone Masterplan. Councillor Blackburn advised that branding for the four Lancashire zones had been discussed at the last meeting of the Lancashire Enterprise Partnership Governance Committee and it was important to ensure that no competition existed between the four zones.

The Committee asked whether there were any plans for Blackpool to have its own business ambassadors to network with the global community going forward. Councillor Blackburn explained that the Blackpool zone would be properly marketed and that going forward, pooling resources across the County would be vital.

The Committee questioned about the future plans for the Blackpool Tourism Academy. Mr Cavill explained that the current grant money would cease in March 2017, although it had been a very successful initiative with thousands of upskilled staff as a result. It was intended that the Blackpool Tourism Academy would continue and hoped to expand its membership as it looked to tap into other opportunities.

The Committee agreed to note the report.

Background papers: None.

## **10 REPORTING THE USE OF EXTERNAL CONSULTANTS**

The Committee considered a report which outlined a revised approach for the reporting of consultancy spend, whereby Members would receive an annual report at the end of each financial year detailing actual spend as opposed to projected spend.

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The Committee agreed to note the report.

Background papers: None.

**11 SCRUTINY WORKPLAN**

The Committee considered its Workplan for the remainder of the current Municipal Year. The Chairman explained that it was a flexible, working document and he was open to suggestion from members for Workplan items at any time. He added that any issues raised by the Committee would be taken to the Workplan meetings which were held with Directors.

The Committee also considered the monitoring recommendations table which had been included, enabling Members to monitor progress on the implementation of scrutiny recommendations.

Members pointed out that an updated version of the transience report had been requested at the July 2016 meeting of this Committee but had not been forthcoming. The Chairman agreed to take the matter forward with the Scrutiny Manager.

The Committee agreed to note the Workplan and scrutiny recommendations table.

Background papers: None.

**12 DATE OF NEXT MEETING**

The Committee agreed to note the date of the next meeting as Thursday 2 February 2017, at 6.00pm.

**Chairman**

(The meeting ended at 17:42)

Any queries regarding these minutes, please contact:

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