

**MINUTES OF TOURISM, ECONOMY AND RESOURCES SCRUTINY COMMITTEE MEETING -  
WEDNESDAY, 21 FEBRUARY 2018**

**Present:**

Councillor Hunter (in the Chair)

Councillors

Mrs Callow JP  
G Coleman

Matthews  
Mitchell

Ryan  
Mrs Scott

Singleton

**In Attendance:**

Mr Alan Cavill, Director of Place

Mr Andy Foot, Head of Housing

Mrs Ruth Henshaw, Delivery Development Officer

Mr Neil McArdle, Network Planning Manager

Mr Latif Patel, Group Engineer (Congestion Management)

Mr Steve Thompson, Director of Resources

Mr Sandip Mahajan, Senior Democratic Governance Adviser

Councillor Gillian Campbell, Deputy Leader of the Council (Tourism, Economic Growth and Jobs)

Councillor Fred Jackson, Cabinet Member for Highways and Environmental Services

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

Councillor Christine Wright, Cabinet Member for Housing

**1 DECLARATIONS OF INTEREST**

Councillor G. Coleman declared a personal interest in the Hackney Carriage and Private Hire Convictions Policy as he was a licensed hackney carriage driver.

Councillor Mrs Scott declared a personal interest in the Hackney Carriage and Private Hire Convictions Policy as she was a member of the Public Protection Sub-Committee.

**2 MINUTES OF THE LAST MEETING HELD ON 13 DECEMBER 2017**

Councillor Ryan emphasised that he had requested that the proposed consideration of recent flooding events would take place at this meeting in February 2018. He also queried sight of the Scrutiny Flooding Review report undertaken in 2013.

Members were informed that it had been agreed at the last meeting that the Chairman, Scrutiny Officer and Head of Flood Management and Environmental Protection would meet to discuss recent events and next steps for getting best value out of a focused review. At that meeting, it had been explained that flood response work including investigations was ongoing. A statutory section 19 (Flood and Water Management Act 2010) investigation report had to be produced following localised flooding (if a residential property had been impacted) and this would be available for the April 2018 meeting.

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Members were advised that following the Scrutiny review in 2013, it had been agreed to receive regular annual reports of flood management. The last annual report had been considered in summer 2017 and the next one was scheduled for April 2018. Considering both reports in April 2018 would allow for a more comprehensive review, ensure key agencies' flood management representatives could attend (invites had been issued to Lancashire County Council who had accepted, the Environment Agency and United Utilities) and also allow a better opportunity for residents to take part. A new Lancashire and Blackpool Flood Risk Management Strategy would be approved by the Executive in April 2018 and would likely be referred to during the Committee's meeting in April 2018. A progress update including details of the 2013 review had been sent to Members following the last meeting.

The Committee agreed that the minutes of the Tourism, Economy and Resources Scrutiny Committee meeting held on 13 December 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 13 December 2017.

Members referred to decision PH1/2018 'Domestic Waste Service Delivery' and queried why it was felt that future provision (from April 2018) would be better delivered in-house rather than continuing with the contracted service. It was added that the current service had been running for numerous years without issues but that the previous in-house service had various operational issues. Residents were happy with the current provider but the proposal offered limited savings and potential risks. Members were particularly adamant that there should be no service reductions. They also queried what percentage savings would be achieved and the 'pay-back' period for returning 'profits' taking into account significant investment required for new waste collection vehicles.

Councillor Fred Jackson, Cabinet Member for Highways and Environmental Services explained that the current contract expired at the end of March 2019 so it was a good time to review the service provided and secure cost savings. It was believed that substantial savings could be made but precise figures were unavailable at the time of the meeting. He added that a better service would be provided using in-house managerial expertise and that there had been complaints about the current service such as when bins had been missed. He added that Transfer of Undertakings (Protection of Employment) Regulations would apply to contracted staff who moved to an in-house service.

Councillor Gillian Campbell, Deputy Leader of the Council (Tourism, Economic Growth and Jobs) added that both Councillor Jackson and herself would be on the Corporate Project Board which would be developing the options, so could ensure the best outcomes. She

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added that bringing the service in-house would allow better linkages with other services such as street cleaning and clarified that the delivery options were an in-house service or creating an arms-length company. The company option would allow for greater cost savings as different terms and conditions would be offered. She added that John Blackledge, Director of Community and Environmental Services would be requested to provide a written breakdown of projected costs and savings for the Committee.

The Committee agreed that the Director of Community and Environmental Services be requested to provide a written breakdown of projected costs and savings for the proposed Domestic Waste Service Delivery options (in-house service and arms-length company) against the current service.

## **5 FORWARD PLAN**

The Committee considered the items contained within the Forward Plan, March 2018 - July 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/1/2018 'Town Centre Investment' and enquired whether progress was being made with using the former British Home Stores site in Blackpool Town Centre. Councillor Mark Smith, Cabinet Member for Regeneration, Enterprise and Economic Development confirmed that opportunities were being considered and that the site was in development but this took time and was commercially sensitive. Mr Alan Cavill, Director of Place added that a committed developer was in place who was working on removing asbestos in preparation for new tenants.

Members referred to the forthcoming decision EX/6/2018 'Central Leisure Quarter' and enquired whether progress was being made. Councillor Smith reported that progress was on track. He added that when he had comprehensive information to report he would do so.

Members referred to the forthcoming decisions EX/3/2018 'Strategic Acquisitions in or adjoining the [Airport] Enterprise Zone' and EX/7/2018 'Blackpool Airport Business Plan'. They enquired whether the establishment of two boards was on track.

Councillor Smith explained that consideration was being given to having an operating company and a land holding company both wholly owned by the Council. There would be a board for each company and independent directors would be appointed and nominees of the Council's political groups would be other directors.

Members referred to the Airport Masterplan and the impact of consultation responses (mainly planning issues such as traffic impact on housing) which had led to some amendments to the Masterplan and queried whether that reduced potential growth. Members also enquired if there could be opportunity for an operational airport making use of the runway offering commercial flights, given that many regional airports across the country were operating successfully. Councillor Smith confirmed that there had been some minor amendments made to the Masterplan. He reported that a tender exercise was underway to appoint consultants with aviation expertise to identify the most viable options for maximising the airport's potential. Mr Cavill explained that the Masterplan

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had 'blocks' of development and a planning concern voiced by residents was ensuring acceptable space between developments and residential properties. He added that a short ('cross') runway would be considered by business planners.

Members referred to the forthcoming decision EX/8/2018 'Social Housing Allocations Policy' and noted that social housing waiting lists were increasing. They added that there were good numbers of two-bedroom residential properties but insufficient supply of larger sized accommodation suitable for families. Members also suggested that building more good quality sheltered accommodation for older people to move into could free up space in larger properties suitable for younger families.

Mr Andy Foot, Head of Housing explained that the choice-based lettings system allowed existing and prospective tenants to apply for properties which they were interested in. Allocations were made by priority-banding applicants. He reported that average waiting times for properties are typically six to twelve months for applicants who are housed, depending on property type. There is high demand against a limited supply of socially rented properties (7,000 units which formed about 10% of the total social housing and private sector stock in Blackpool).

The Council and housing development partners sought to increase supply (quantity and quality). However, there were times when wider regeneration needs reduced the supply, e.g. Queens Park had required the demolition of unsuitable high-rise flats to create better quality mixed accommodations but overall numbers had reduced. The Council did aim to increase the supply of larger homes suitable for families and it was expected that Blackpool Housing Company would have developed two hundred new high quality private rented units by the end of March 2018. Consultation had also taken place at Grange Park to demolish some buildings and pursue opportunities for around 200 new homes.

Councillor Christine Wright, Cabinet Member for Housing agreed with building more good quality sheltered accommodation for older people but added that social housing providers did need to consider the cost and viability of social housing developments noting that bungalows could be costly. Mr Foot added that there would be an opportunity later in the year when the Council's Local Plan (Part 2) for strategic development was reviewed and the needs of an ageing population could be considered.

Members enquired if social housing providers or the Council gave references to good tenants should they need one if they were moving to a new property. It was thought that Blackpool Coastal Housing would probably provide references.

## **6 KEY PRIORITY REPORT: CORPORATE HEALTH**

Mrs Ruth Henshaw, Delivery Development Officer presented progress with Council Plan performance indicators for the period 1 April 2017 to 31 December 2017 with reference to corporate 'health' (organisational resilience). She reported that there had been no 'red' indicators, i.e. falling short of forecast target or at risk of missing the end-year target, requiring detailed 'exceptions' commentary.

Members enquired why staff turnover was quite high (8.4% for quarter three), how it compared to ten years ago and against other comparable councils and whether 'exit'

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interviews took place. Members considered staff sickness absence rates and queried whether staff morale surveys took place. They also suggested that mandatory training rates should be 100% rather than the target of 85%.

In response, Mrs Henshaw advised that staff turnover trends could be checked including any long-term details if required. She confirmed that 'exit' interviews took place but did not know if numbers or other details were collated so would check with the Human Resources Service. She was not aware of any recent annual staff survey. However, regular staff feedback questions were asked at the annual Staff Conference. Mandatory training was mainly online-based but some services required more in-depth traditional training. She agreed that consideration needed to be given to a higher target for mandatory training rates.

Members noted that there were a number of 'exceptions' from contract procedure rules and queried whether any trends had been identified and whether contract officers understood their roles and procurement requirements. Ms Henshaw advised that she would liaise with Financial Services to provide a response following the meeting.

It was suggested that, for future reports, a short explanation of trends and any notable information would be helpful in the 'notes' column for all indicators.

The Committee agreed:

1. To receive information on numbers and other details of 'exit' interviews following the meeting.
2. That Mrs Henshaw be requested liaise with Human Resources to consider a higher target of 100% for mandatory training rates.
3. To include a short explanation of trends and any notable information in the 'notes' column for all indicators in future reporting.
4. That Mrs Henshaw liaise with Financial Services and report back to the Committee on why there were a number of 'exceptions' from contract procedure rules, any trends identified and what was done to ensure contract officers understood their roles and procurement requirements.

**7 FINANCIAL PERFORMANCE MONITORING AS AT MONTH 9, 2017/2018**

Mr Thompson, Director of Resources presented the level of spending against the Council's Revenue and Capital budgets for the first nine months to 31 December 2017.

Members expressed concern regarding the PAUSE project and removing children at birth from families which could be considered an extreme measure and would be costly. Councillor Campbell, Deputy Leader of the Council clarified that there were many young vulnerable women who had had several children placed into care upon birth. The PAUSE project aimed to work with these families to reduce and prevent similar issues arising, e.g. by reducing pregnancies through the use of Long Acting Reversible Contraceptives (LARCs). She added that there was a range of work to effectively support families and the

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best options needed to be pursued. The PAUSE project had secured a 97% success rate in one London borough.

Members referred to the overspend due to reduced income within Print Services and the service review which had been ongoing for some time. Mr Thompson confirmed that the review had completed and the proposed budget for 2018-2019 was more appropriate. He gave assurance that there would be no future overspend.

Members queried the £164k borrowing charge relating to Bonny Street. Mr Thompson explained that this related to debt financing of the new police head-quarters and would be managed within the proposed budget for 2018-2019. The old Bonny Street building would be demolished for development.

Members enquired whether Government was still being lobbied for increased funding and the response. Mr Thompson advised that work was ongoing with the Local Government Association and supporting information was being developed by the University of Huddersfield. A joint letter had also been sent, by Portfolio Holders and Directors of Children's Services from across the North West, to Government seeking support to respond to the national pressures facing Children's Services.

Members referred to the impact of budget pressures on staff morale. Mr Thompson explained that staff recognised that most services had had to reduce spending and that Children's Services needed time for improvement and demand reduction strategies to have a significant impact. He added that Looked After Children numbers had been slowly decreasing although had risen again recently. The budget overspend had therefore increased. It was noted that there continued to be more complex cases and placements required out of Blackpool. Alternative care options were being considered to reduce costs and cases would be 'stepped down' when safe and appropriate.

Members were concerned that £2.5m had been transferred from the Education Basic Needs Funding to Children's Services and commented that it appeared to be a large amount to move away from its original intended purpose. Members also noted that performance standards in some secondary schools needed to be improved and suggested that such funding could have been used to support improved class sizes. Members added that support for mental health issues in schools should also be considered and funded.

Mr Thompson explained that the funding had been allocated for the fabric of buildings and to help provide sufficient school places and resource. He advised that all local secondary schools and a large number of primary schools had now become independent academy trusts. However, the funding had not been ring-fenced although remained within the Children's Services budget to help tackle critical pressures. He reported that there were a range of initiatives to support the mental health needs of children such as the Head Start programme for emotional resilience. Councillor Campbell added that the Head Start programme was proving effective and that more effective support was needed at primary school level to help prepare children for secondary school. Mr Thompson added that there would be additional Basic Needs Funding for 2018-2019.

Members referred to the Council Tax Reduction Scheme which was meant to support vulnerable people through appropriate discounts and noted that the level of discount had

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more than halved in the last year. Members also noted that over 650 summonses had been issued for non-payment of business rates and enquired what payments had been secured.

Mr Thompson reported that overall Council Tax collection rates had increased annually. However, since the Council Tax Reduction Scheme had been introduced in 2013, there had been a growing number of arrears. The collection rate for people on the Reduction Scheme was 60-65% which reduced the overall annual collection rate by approximately 4%. This was a challenge as it involved the most vulnerable people who had no assets. Collection of business rates overall was good and had been increasing by 1.2% annually which was also a good performance. The overall rate demonstrated a buoyant local business sector. There were a few defaulters who were positively pursued regularly with good outcomes.

Members had a lengthy discussion on the usage of Members' ward budgets. There appeared to some correlation between the most underspent budgets and the most deprived wards although this varied. Members recognised that budgets could be carried forward for a year and acknowledged that money needed to be spent on the best value projects. However, more might need to be done to ensure that all Members were proactively promoting awareness and use of their budgets. Councillor Campbell undertook to encourage all Members to ensure their budgets were used effectively.

## **8 TRANSIENCE PROGRAMME AND SELECTIVE LICENSING**

Mr Andy Foot, Head of Housing presented evaluations of the Transience Programme (South Beach area and expanded to Clarendon and central Blackpool), which had been running from 2015 and was due to finish in September 2018, and the associated (private sector) Selective Licensing Programme (South Beach area) which had run from 2012-2017.

Members noted that the Transience Programme funding was due to finish in September 2018 and queried what work was in place to ensure improvement initiatives were sustained. They also recognised that selective licensing had been highly effective based on the feedback received from residents and expressed concern of potential risks that housing and anti-social behaviour standards might start slipping.

Mr Foot advised that the Selective Licensing Programme had allowed private sector properties within remit to be inspected and improvements supported. The Transience Programme had originally been funded by Public Health to support communities. He added that there was no further funding available for the Transience Programme but sustainability was proposed through development of neighbourhood service delivery models. He cited the health led 'Vanguards' pilot work to develop integrated locality hubs with Adult Social Care and other services. He referred to the effectiveness of the Transience Programme being underpinned by approaches that reach out to people who otherwise may not seek help.

Members suggested that it would be good if tougher enforcement could be applied to rogue landlords other than having to wait for health and safety issues. In response, Members were advised that there were a range of options albeit limited.

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Councillor Wright advised that although enforcement options were limited, the Selective Licensing Programme had allowed lots of properties to be inspected and tenants helped. She added that help included making tenants aware of their rights and entitlements. Some landlords had been co-operative and were recognised as good landlords.

Councillor Campbell added that she had been on inspections and seen the terrible state of some properties. Regular meetings had been held with landlords and licensing staff to promote improvements. It was important to give early help to people and she would be aiming to secure funding to keep the Transience Programme going.

**9 HIGHWAYS ENGINEERING SERVICE - LEAN REVIEW**

Mr Neil McArdle, Network Planning Officer presented the 'LEAN' Efficiencies Review of the Highways Engineering Service. He explained that in 2014, the Department for Transport had reviewed the funding of local highways authorities' maintenance budgets and required services to submit detailed self-assessments of performance. The Council had secured the highest score band for the most incentive-based funding from the Department.

He explained that one self-assessment question was whether a LEAN Review had been undertaken of services to identify duplication, cut out unnecessary process and deliver better value for money. The Review involved benchmarking of costs against comparable local authorities and also the private sector. The Council was better value than some benchmarked organisations but not all so there was room for improvement in order to achieve better value for money.

Mr McArdle reported that particular initiatives included working as part of a local authorities group to use collective buying power to secure materials at better prices. He added that there were some efficiencies proposed for work at the depot but the main efficiencies involved systems improvements.

He explained that Phase 1 of the improvement recommendations had nearly been completed and involved software improvements for mandatory reporting of maintenance and repair incidents. Phase 2 would develop the use of hand-held mobile devices to reduce paperwork and Phase 3 would lead to better stock control and better value with bulk purchase discounts.

Members queried how the self-assessment was independently verified. Mr McArdle explained that the Department for Transport had previously undertaken random audits and two internal audits had taken place, one of which recommended scrutiny by Members.

The Committee queried whether there was an effective approach to identifying and responding to essential repairs. Mr McArdle advised that inspectors were active and effective at identifying necessary repairs and works were prioritised before being completed.

It was noted that accident compensation claims due to falling over kerbs and other surfaces had fallen. Mr McArdle confirmed that this was the case and added that the



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internal fraud service would investigate claims and identify any issues especially people attempting to make more than one claim.

Members queried whether extra funding was available due to the 17 million visitors travelling through Blackpool. Mr McArdle advised that funding formulas were generally based on the number and types of roads and other associated surfaces.

The Committee enquired how staff had responded to the improvement recommendations and also whether the use and cost of consultants (10% of the Service's resource) could be reduced. Mr McArdle confirmed that could be considered as a future recommendation.

The Committee agreed to request that Neil McArdle arrange for the use of consultants within the Highways Engineering Service to be reviewed and reduced to achieve cost savings.

### **10 SCRUTINY WORKPLAN**

Councillor Ryan emphasised that he had requested that the proposed consideration of recent flooding events would take place at this meeting in February 2018. He also queried sight of the Scrutiny Flooding Review report undertaken in 2013.

Members were informed that it had been agreed at the last meeting that the Chairman, Scrutiny Officer and Head of Flood Management and Environmental Protection would meet to discuss recent events and next steps for getting best value out of a focused review. At that meeting, it had been explained that flood response work including investigations was ongoing. A statutory section 19 (Flood and Water Management Act 2010) investigation report had to be produced following localised flooding (if a residential property had been impacted) and this would be available for the April 2018 meeting.

Members were advised that following the Scrutiny review in 2013, it had been agreed to receive regular annual reports of flood management. The last annual report had been considered in summer 2017 and the next one was scheduled for April 2018. Considering both reports in April 2018 would allow for a more comprehensive review, ensure key agencies' flood management representatives could attend (invites had been issued to Lancashire County Council who had accepted, the Environment Agency and United Utilities) and also allow a better opportunity for residents to take part. A new Lancashire and Blackpool Flood Risk Management Strategy would be approved by the Executive in April 2018 and would likely be referred to during the Committee's meeting in April 2018. A progress update including details of the 2013 review had been sent to Members following the last meeting.

Members were encouraged to attend the Budget Scrutiny training session being held on Thursday 22 February at 17.30.

The Committee agreed:

1. To approve the Scrutiny Workplan.
2. To note the 'Implementation of Recommendations' table.

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**11 DATE OF NEXT MEETING**

The Committee noted the date and time of the next meeting as Thursday, 25 April 2018 commencing at 6pm in Committee Room A, Blackpool Town Hall.

**Chairman**

(The meeting ended at 8.15 pm)

Any queries regarding these minutes, please contact:  
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