

**MINUTES OF TOURISM, ECONOMY AND RESOURCES SCRUTINY COMMITTEE MEETING -
THURSDAY, 9 JULY 2015**

Present:

Councillor Hunter (in the Chair)

Councillors

Mrs Callow JP

Galley

Rowson

Matthews

G Coleman

Roberts

L Williams

In Attendance:

Councillor Gillian Campbell, Deputy Leader of the Council

Councillor Fred Jackson, Cabinet Member for Municipal Assets

Councillor Mark Smith, Cabinet Member for Business and Economic Development

Steve Thompson, Director of Resources

Alan Cavill, Director of Place

Sharon Davis, Scrutiny Manager

Ruth Henshaw, Engagement and Intelligence Officer

Chris Kelly, Senior Democratic Governance Adviser (Scrutiny)

1 DECLARATIONS OF INTEREST

Councillor Coleman declared a personal interest with regard to item 10, 'Scrutiny Workplan', the nature of the interest being that he was a Hackney Carriage Licence holder.

Councillor Rowson declared a prejudicial interest with regard to item 11, 'Destination Management Plan for Blackpool', the nature of the interest being that she had been a member of the Executive that had approved the Plan.

**2 MINUTES OF THE LAST MEETING OF THE SCRUTINY COMMITTEE HELD ON 26
FEBRUARY 2015**

The minutes of the Scrutiny Committee meeting held on 26 February 2015 were noted as a true and correct record.

3 PUBLIC SPEAKING

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

4 ROLES, RESPONSIBILITIES AND ATTRIBUTES OF SCRUTINY MEMBERS

The Chairman presented a report detailing the necessary roles, responsibilities and attributes required of Scrutiny Members and requested that Members consider and understand their roles.

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The Committee agreed to approve the roles, responsibilities and attributes of Scrutiny Members.

Background papers: None.

5 EXECUTIVE AND CABINET MEMBER DECISIONS

The Committee considered the decisions taken since the last meeting of the Scrutiny Committee by the Executive and Cabinet Members.

With regards to executive decision number EX/25/2015, 'Community Engagement' Members questioned whether those community representatives that stood for election to the Council would be eligible for involvement in the new formats for community engagement. It was noted that those community representatives standing for election to the Council would have been ineligible for a community representative role at an area forum under previous arrangements for two years following the election. Mr Chris Kelly, Senior Democratic Services Adviser, advised that an answer providing clarity on this issue would be sought for Committee Members following the meeting.

In relation to the same decision, Councillor Galley, whilst supporting plans for a continued engagement by way of discussion with the community, questioned whether plans were in place to enable the community to physically take more control over the areas in which they lived. The Deputy Leader of the Council advised that Councillor Kirkland, Cabinet Member for Third Sector Engagement and Development, would be looking at community engagement as part of her portfolio with the aim of empowering community groups to be able to do more.

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

6 COUNCIL PLAN PERFORMANCE MANAGEMENT ARRANGEMENTS 2015/2016

Mrs Ruth Henshaw, Corporate Development Officer advised that the new Council Plan 2015-20 was currently being developed with a number of consultation exercises due to take place over the summer in order to aid its development.

She informed the Committee of the proposed reporting schedule and advised that the first performance report was due to be received in November 2015. The relevant Lead Officer and Cabinet Member would present the performance data to the Committee and answer Members' questions. She also noted that there had been some changes to the reporting schedule since the agenda had been distributed, so that the report that had been due to be presented to the January 2016 meeting, would now be presented to the 3 March 2016 Committee and the report that had been planned to be presented in May 2016 would now be presented in June 2016.

Members discussed the consultation process and raised questions on the selection process for the 'Council Couch' locations. Mrs Henshaw advised that some of the locations had changed since the last 'Council Couch' consultation based on their attendance, with the aim to be as accessible for residents as possible. She also reported that the Engagement team would compile an evaluation report after the consultation had

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been completed. It was requested that the rationale for choosing locations and the evaluation report be circulated amongst Committee Members.

The Committee:

1. Agreed the reporting schedule and mechanism for the Council's performance against the Council Plan; and
2. Requested that the rationale for choosing locations and the evaluation report be circulated amongst Committee Members.

Background papers: None.

7 PROVISIONAL REVENUE OUTTURN 2014/2015

Mr Steve Thompson, Director of Resources presented a report on the Provisional Revenue Outturn for 2014/2015. He highlighted the key features of the report, noting that in addition to the focus of previous years' reports on revenue and the Council's capital programme, the report included an emphasis on income collection.

Mr Thompson summarised that there was an increasing volatility to service budgets as a result of budget cuts, explaining that there had been a net service overspend of £2,346,000. He advised the Committee of the main variances of the overspend, highlighting the £1,601,000 overspend in Children's Services and explaining that the reasons for the overspend in this service were due to the continuing high numbers of looked after children and a shortfall in Education Services Grant income due to academy conversions.

Members questioned how the Council was able to write off £2,583,000 so that services could enter the new financial year in a balanced position and were advised that the write off had been met through Treasury Management savings of £1,816,000 and the use of contingencies. Concerns were raised over the savings target of £25 million for 2015/2016.

The Committee was also provided with details of overspends in Community and Environmental Services and Adult Services. Members challenged the reasons for the apparent overspend on prudential borrowing costs associated with Project 30. Mr Thompson responded with details of the costs and savings involved in Project 30 and advised that a written summary of the financial modelling involved in the project could be circulated amongst Committee Members.

Members considered the financial outturn for budgets 'outside the cash limit' and queried the reasons for the overspend in Parking Services, with particular reference to the low level of use at the Devonshire Road car park. It was reported that a strategic parking review was being undertaken, which would investigate how to make it easier for visitors to make payments with the objectives of improving accessibility to park and pay for it.

A further question was raised by the Committee in relation to the localisation of business rates and whether the Council had been adversely affected. Mr Thompson explained that the financial risks to the Council stemmed from the appeals provision, estimating that approximately five to six per cent of appeals had been successful to date. Members noted that there had been a substantial increase in the appeals provision due to the large

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volume of appeals submitted before 31 March 2015, as that date was the end of a five year period where successful appeals could be backdated. Mr Thompson advised that the impact of those appeals were reflected in the Collection Fund for 2014/2015 but would not fully impact upon the Council until 2016/2017 due to the methodology used by central government to collect and apply the data.

Members noted the Council Tax collection rate for the past two financial years and challenged whether a target of 98 per cent was appropriate. Mr Thompson advised that the target figure was established in light of the reductions in discount and the introduction of the Local Council Tax Reduction Scheme and that over a five-year period the 98 per cent target collection rate was being achieved. However, the in-year collection rate was lower than the target, which was considered to be as a result of the profile of the town. He noted that work was being undertaken to consider this issue further.

The Committee considered the level of expenditure incurred by the Council on its 2014/2015 Capital Programme. Mr Thompson advised that the total capital expenditure had been £43,409,327, which was still considered relatively large for a local authority of Blackpool's size.

The Committee agreed:

1. To note the content of the report; and
2. To request that a written summary of the financial modelling involved in Project 30 be circulated amongst Committee Members.

Background papers: None.

8 TREASURY MANAGEMENT OUTTURN 2014/2015

Mr Thompson presented the Treasury Management Outturn Report for the 2014/2015 financial year that had been presented to Executive at its last meeting.

The Committee was advised that the report outlined the Council's treasury management activities, its borrowing transactions, investment transactions, cash flow management and banking arrangements for the above period. He reported on a positive year during which the use of temporary borrowing had resulted in an underspend of £1.8million.

Mr Thompson advised Members that during the year the Council had invested £10,000 in the Municipal Bonds Agency, which was a company owned by local authorities that could raise money by issuing bonds. The money then raised by those bonds would provide an alternative lending stream to the Public Works Loan Board and the aim would be to offer long term borrowing at below market interest rates. Mr Thompson considered that this had proved a good investment for the Council and that this could result in future savings to the Council.

Following questions from the Committee, Mr Thompson reported that in regards to prudential borrowing, all investments had been repaid on time and had generated income or created savings, noting that the investment into Blackpool Operating Company had been particularly beneficial. He explained to the Committee that the investment into Project 30 needed to be considered over a longer term and it was noted that the project

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was not embarked upon solely for financial purposes, but also for the benefit of residents in the town.

The Committee agreed to note the content of the report.

Background papers: None.

9 SCRUTINY ANNUAL REPORT

The Committee considered the Scrutiny Annual Report 2014/2015.

The Committee approved the Scrutiny Annual Report 2014/2015.

Background papers: None.

10 SCRUTINY WORKPLAN

The Chairman presented the Tourism, Resources and Economy Scrutiny Committee Workplan for the remainder of the Municipal Year. It was noted that this was a flexible, working document. Members could submit items for consideration by the Committee at any time through the Chairman.

The Committee requested that reports into street cleansing, waste collection and car parking be included on the workplan.

In order to make a request for a scrutiny review on a particular subject, Members were informed that the Scrutiny Selection Checklist must be completed and submitted to a Committee meeting for consideration.

Mr Kelly reported that at the Scrutiny Committee on 22 January 2015, Members had considered a referral from the Public Protection Sub-Committee regarding a possible scrutiny review of landaus on the promenade. Members agreed at that meeting that it would be beneficial to undertake an in-depth scrutiny review on the topic, but to defer commencement of the review until the start of the new Municipal Year. The Tourism, Economy and Resources Scrutiny Committee was therefore requested to ratify that request.

The Committee agreed to approve the workplan with the above inclusions and to establish a scrutiny review panel to consider landaus on the promenade.

Background papers: None.

11 DESTINATION MANAGEMENT PLAN FOR BLACKPOOL

The Committee resolved to adjourn for a short break and the meeting reconvened at 7.05 p.m.

Mr Alan Cavill, Director of Place presented the Destination Management Plan for the

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Committee to consider. He reported that recent visitor numbers to the town had been the highest they had been since data had started to be collected in 1999. However, it was considered that there needed to be continual investment and improvements in the town, in order to boost the tourist economy further. Mr Cavill explained that the Destination Management Plan set out how that was going to be achieved in the period 2015-2017.

Mr Cavill advised Members of the economic value of tourism to Blackpool, reporting that the industry supported more than 24,000 jobs as well as indirectly supporting other jobs within the town and that approximately £1.295 billion was generated in the local economy as a result of visitor and tourism business expenditure in 2013.

The Committee was provided with details about planned improvements in order to boost tourism. Those improvements included improving the quality of hotel stock within the town as well as rolling out a Visit England entry level accreditation scheme, attracting 'higher end' retail and restaurant brands to the town and developing the 'city life on the beach' aspirational brand position. It was explained that this was not a marketing slogan but an ethos that underpinned Blackpool's unique destination values.

The Committee considered the priorities included within the Destination Management Plan and Mr Cavill advised that the key growth targets were not merely aspirational, they were all measurable and that the series of actions identified to achieve those targets were all deliverable.

Members raised a number of questions and Mr Cavill reported that the Council worked with all accredited hotels, not just the larger four and five star hotels. The benefit for hotels to become accredited was that they could then advertise with the Council, the Council would place people in those hotels during conferences and the hotels would be eligible to offer packages and promotional offers for shows, for instance the show currently running, Cats.

The Committee also discussed potential future uses for the old King Edward Cinema and the development of the Central Station site. Mr Cavill reported that The Police Station was being relocated to the former site of Progress House and discussions regarding the relocation of the County and Magistrates courts to new sites within Blackpool, possibly to the Central Business District, were on-going. It was also reported that work undertaken by potential developers in the past for the Central Station Site had suggested the front of the old cinema building could be retained, possibly as a gateway for the rest of the site.

The Committee challenged the timescales in place for the development, after considering that there had been suggestions for development for a number of years now. Mr Cavill stated that the intention was to enter the market for a developer of the site by the end of the year.

A question from the Committee was asked in relation to Carnesky's Ghost Train. Mr Cavill reported to the Committee that it had recently been sold to the Pleasure Beach with the understanding that it would have been taken down before the end of May 2015. Mr Cavill assured Members that enquiries would be made as to the reasons for it not having been taken down yet.

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Following further questioning from the Committee, Mr Cavill reported that work was being undertaken to identify and develop suitable new locations of motorhomes, but any potential sites would need to be consulted upon.

The Committee agreed to note the report and requested that future reports be presented to Committee meetings detailing the progress made against the targets identified in the Destination Management Plan.

Background papers: None.

(Note - Councillor Rowson, having declared a prejudicial interest left the meeting room for the duration of this item).

12 DATE OF NEXT MEETING

The Committee agreed to note the date of the next meeting as Thursday, 10 September 2015, at 6.00 p.m.

Chairman

(The meeting ended at 7.43 pm)

Any queries regarding these minutes, please contact:
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