

ECONOMY AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE

Monday, 5 September 2011

<u>Present:</u>	Councillor	M Johnston (Chair)	
	Councillors	S Kelly P Hackett A Hodson S Niblock P Kearney D Realey S Whittingham	
<u>Deputies</u>	Councillors	E Boulton (in place of A Cox)	A Sykes (in place of G Ellis)
<u>In Attendance</u>	Councillors	G Davies P Davies T Harney	

10 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST/PARTY WHIP

Members were asked to consider whether they had personal or prejudicial interests in connection with any item(s) on this agenda and, if so, to declare them and state what they were. Councillor S Whittingham declared his personal interest in agenda item 3 – Affordable Housing in Wirral (see minute 14 post) by virtue of his membership of the Board of Wirral Partnership Homes.

11 MINUTES

The Director of Law, HR and Asset Management presented the minutes of the meeting held on 6 June 2011. In response to a question from the Chair in relation to information requested by Members regarding lettings to people with priority need status (minute 5 refers), the Interim Head of Strategic Development and Regeneration provided assurance that an email would be circulated as a matter of urgency. The Interim Director of Corporate Services reported also that arrangements were in progress for a tour of regeneration and housing sites.

Resolved – That the update information be noted and the minutes of the meeting held on 6 June 2011 be approved.

12 BUDGET ISSUES FOR ECONOMY AND HOUSING IN 2012/13

The Interim Director of Corporate Services reported that, as part of the 2012/2013 Budget Consultation process, the Cabinet had requested Overview and Scrutiny Committees to consider the functions within their portfolio and offer suggestions as to how to close the estimated £25m budget gap and limit any Council Tax increase in

2012/2013. The Interim Director gave a presentation upon the financial projections for the Council and upon the major budget issues and challenges faced by Economy and Housing. The Department had a budget of £21,378,200, with £9,630,000 within the Capital Programme for 2012/2013 and he set out the key budget challenges, which included –

- a significant reduction in external Community Fund resources, due to end March 2012 - £1.2m to support Homelessness Teams and Private Sector Housing Teams from the Community Fund and carry over of HMRI funds;
- a shortfall of £500k in income target against actual income for Development Control;
- a £740k in year grant to tackle worklessness that will not be received in 2012/2013, which will impact on the delivery of worklessness schemes;
- a loss of HMRI and WNF funds totalling £20m in 2011/2012.

The Interim Director provided also a departmental overview and highlighted the key economic indicators and external challenges, including the need to compete globally by working with strategic partners to attract inward investment.

The Chair thanked the officers for the detailed information contained within the report and sought the views of Members as to whether the Committee should engage with the process of offering suggestions as to how to close the budget gap or, alternatively to maintain the impartiality of the scrutiny function and await proposals to be brought forward from the Cabinet. The Labour Group spokesperson and other Members expressed the view that it was important for scrutiny committees to assist the executive in order to limit any Council Tax increase in 2012/2013. He went on to request that information be provided to Members in relation to planning fees and whether it would be possible to delay any of the schemes presently included within the capital programme.

The Conservative Group spokesperson and other Members commented that the role of scrutiny was to scrutinise decisions taken by the executive and suggested that savings options already notified to portfolio holders by Chief Officers should be shared with Overview and Scrutiny Committees, to enable scrutiny to be undertaken in relation to those proposals. In response to further questions from Members in relation to the planning income target for 2011/2012, the Interim Director commented that an under recovery on fees was anticipated and he agreed to send a note to Members by email, setting out the current position.

At the request of the Chair, the Cabinet Member for Housing and Community Safety addressed the Committee and commented that the Leader of the Council wished to approach the budget shortfall differently to last year. He did not wish an unelected task force to make recommendations and believed that Members of scrutiny committees were best placed to identify where savings could be made.

On a motion by Councillor Johnston and seconded by Councillor Kelly, it was –

Resolved (10:0) –

- (1) That the report be noted and thanks be accorded to the officers for the information contained.**
- (2) That the Economy and Regeneration Overview and Scrutiny Committee makes the following observations for the attention of the Cabinet Members within its remit:**
 - (a) Committee believes that economic regeneration is a vital Council function and notes the previous administration's strong commitment to regeneration issues.**
 - (b) Committee considers that any savings to be considered shouldn't jeopardise the ability of the Council in regeneration activity and job creation.**
 - (c) Committee expresses disappointment that the Leader of the Council has waited until a third of his administration has passed before embarking on budget consultation and that portfolio Cabinet members have failed to bring savings options to the Committee for consideration.**
 - (d) Committee acknowledge the Leader's request of assistance and don't wish to see damage to the Council's regeneration capacity. Committee therefore are prepared to consider and give feedback to proposals for savings made by Cabinet.**
 - (e) Committee will therefore consider setting a special meeting, on a date to be agreed with group spokespersons, and consider Cabinet led suggestions highlighting potential savings.**
 - (f) Committee requests that any such reports are produced with the in-depth detail required to make informed decisions and that reports are produced within timescales that allow Members to raise queries before the date of a Special Meeting.**

13 THE WIRRAL APPRENTICE

The Interim Director of Children's Services reported, in response to a motion raised by Councillor Kelly at the meeting of the Committee held on 6 June 2011 (minute 6 refers), upon work currently being undertaken by officers to support the uptake of level 3 (Advanced) Apprenticeships within the Wirral Apprenticeship Programme. He referred to the strategic priorities and key actions contained within the Liverpool City Region (LCR) Apprenticeship Strategy, which included an action to drive up the volume and share of level 3 Apprenticeship programmes. He commented that in terms of the current Wirral Apprenticeship programme, there was no capacity to respond by increasing the volumes of level 3 Apprenticeships, due to the fact that all available funding was currently in contract. However, an officer Strategy Working Group (SWG) had been established to influence the future direction of the LCR strategy and would give consideration as to how any future Wirral Apprenticeship

funding could be prioritised to encourage greater volumes of level 3 Apprenticeships and grow the market. The SWG was intended to take a holistic view of Apprenticeship engagement and it would initially report to the Executive Team to ensure the approach was communicated across all directorates.

The Interim Director reported also upon the preparedness of the education sector to deliver Functional Skills qualifications, which were due to replace Key Skills as a mandatory component of all Apprenticeship frameworks, to be fully implemented by September 2012. He reported that the Wirral 14–19 Strategic Partnership had committed to fund a teaching professional from Wallasey School to drive forward Foundation Learning curriculum development during the 2011-2012 academic year. The post holder was now in place and would work to support Wirral post 16 learning providers in the development of Foundation Learning curriculum, of which Functional Skills were a core part.

Resolved – That the report be noted.

14 **AFFORDABLE HOUSING IN WIRRAL**

The Interim Director of Corporate Services provided an overview of the differing levels of housing affordability within Wirral, which impacted upon local peoples' ability to access appropriate housing. The provision of new and affordable homes was a key priority within the Council's Corporate Plan and delivering affordable homes in Wirral was one of the key themes within the Housing Strategy 2011-2026. He outlined the Government's housing policy and commented that, for Wirral, affordability was not just limited to the more affluent areas but was just as much prevalent in a wide range of neighbourhoods in the eastern side of the Borough, where resources were being focused to restructure housing markets.

He indicated that Wirral was committed to finding solutions to help address the difficulties faced by many households in accessing affordable housing. He outlined the activities being undertaken by the Housing Division and set out also work being undertaken with local partners to maximise the opportunities to benefit local people.

In response to a question from a Member with regard to a Notice of Motion agreed by the Council in relation to affordability, the Interim Director proposed to liaise with the Director of Finance in order to bring forward a potential report on Council Mortgages to a future meeting.

Resolved –

- (1) That the content of the report highlighting information on local house prices, house sales, and average incomes and the impact this has on affordability issues in Wirral, be noted.**
- (2) That a further report on help available for first time mortgages be added to the Committees Work Programme.**
- (3) That the report of the Interim Director of Corporate Services be referred to the Planning Committee for information.**

15 **INWARD INVESTMENT**

The Interim Director of Corporate Services reported upon plans to develop a series of targeted inward investment activities with the explicit aim of promoting Wirral as a business investment location to drive economic growth and create new jobs within the Borough. The activities were intended to actively promote Wirral's investment opportunities by specifically targeting expanding companies with investment projects by using experienced intermediaries to undertake and manage inward investment lead generation activity. The Cabinet had agreed to the adoption of a specific three stage approach to inward investment (minute 79 (21 July 2011) refers) and the Interim Director outlined how the activities would be co-ordinated and delivered in line with the wider investment support services framework. He referred specifically to the proposed appointment of an Inward Investment Manager and commented that the post holder would work closely with Invest Wirral and promote Wirral under the Invest Wirral brand. In response to comments from members, the Interim Director agreed to present a further report when the Inward Investment Manager was in post.

Resolved – That the plans for Inward Investment be noted and the implementation of the proposals set out in the report of the Interim Director of Corporate Services, be supported.

16 **PERFORMANCE AND FINANCIAL REVIEW - FIRST QUARTER 2011/2012**

The Interim Director of Corporate Services reported upon the performance of the Council's Corporate Plan 2011-2014 for April to June 2011 in relation to economy and regeneration. He provided an overview of performance, resource and risk monitoring and highlighted what was working well, future challenges and risks.

Resolved – That the report be noted.

17 **GREEN GROWTH SCRUTINY REVIEW - UPDATE**

The Chair presented the report of the Green Growth Scrutiny Panel, which provided an update on progress with the Green Growth Scrutiny Review, which was intended to produce an informed response to the Notice of Motion approved by the Council on 18 April 2011 (minute 126 refers). A draft Scope Document had been produced, which set out the focus of the Review and the Review Panel outlined the methods to be used to gather evidence. The Chair thanked the Panel Members for the work undertaken to date, and thanked also Mr A Veitch, Scrutiny Support Officer for the significant work he had also undertaken.

Resolved –

(1) That the Scope for the Green Growth Scrutiny Review, as detailed in Appendix 1 to the report now submitted, be approved.

(2) That the Panel members be confirmed as Councillors Mark Johnston (Chair), Peter Kearney, Steve Niblock, and Start Whittingham.

18 SHALE GAS FRACKING

The Interim Director of Corporate Services reported that following reports of exploratory works for shale gas in Lancashire, concern had been raised about environmental implications, in particular about test drilling near Blackpool, which was followed by earthquakes on the Fylde coast. It had also been reported that the company IGas Energy had licenses, covering over more than 700km² between Manchester and the Mersey/Dee estuaries, to extract gas from onshore underground coal seams including locations in Liverpool and Wirral. The company had estimated that 1.95 trillion cubic feet of shale gas may lie trapped under Wirral alone.

The Interim Director provided an outline of the extraction process and reported upon local and national responsibilities and regulatory roles in relation to development for gas exploration and extraction.

Resolved – That the report be noted.

19 FAIR TRADE - UPDATE

Councillor Mark Johnston provided an overview of the work he had undertaken as Council Champion for Fair Trade, after having been appointed to the role by the former Leader of the Council, Councillor J Green. However, the present Leader of the Council had announced on 18 July 2011 (minute 19 refers) a number of changes in relation to the various Council Champions and it was now expected that the Champions role in relation to Fair Trade and a number of others would be taken on by the relevant Overview and Scrutiny Committees, which would also be free to make a recommendation to the Executive to appoint a Champion if that was their wish.

However, Councillor Johnston indicated that the Leader of the Council had subsequently agreed that he should carry on with an ongoing piece of work because of the associated budgetary implications. He reported upon a Fair Trade campaign starting in October, whereby Champions would be recruited from across varying sectors to promote Fair Trade across Wirral. He commented upon funding that had been secured from corporate partners and referred to significant work being undertaken with voluntary sector groups. A final, more detailed report would be presented to the next meeting of the Committee.

Resolved – That the report be noted.

This minute was subsequently amended by the Committee on 7 November, 2011 (minute 25 refers). The final sentence of the preamble to read:

“A final, more detailed report would be presented to the November, 2012 meeting of the Committee.”

20 SCRUTINY WORK PROGRAMME

The Chair referred to the Committees work programme for the forthcoming municipal year and sought the views of Members as to whether any additions should be made to it, in addition to the work in relation to Affordable Housing (see minute 14 ante), and the presentation on Invest Wirral, which had been deferred to the next meeting.

Resolved – That, subject to the inclusion of work in relation to Affordable Housing and the Invest Wirral presentation, the amended Work Programme be agreed.

21 **FORWARD PLAN**

The Director of Law, HR and Asset Management reported that the Forward Plan for the period September to December 2011 had been published on the Council's intranet/website. Members had been invited to review the Plan prior to the meeting in order for the Economy and Regeneration Overview and Scrutiny Committee to consider, having regard to the work programme, whether scrutiny should take place of any items contained within the Plan and, if so, how it could be done within relevant timescales and resources.

Resolved – That the Forward Plan be noted.

22 **EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC**

Resolved – That in accordance with section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business on the grounds that it involves the likely disclosure of exempt information as defined by the relevant paragraphs of Part 1 of Schedule 12A (as amended) to that Act. The public interest test has been applied and favours exclusion.

23 **REGENERATION UPDATE**

The Interim Director of Corporate Services provided an update on major development schemes within the Borough.

Resolved – That the report be noted.