



OVERVIEW AND SCRUTINY COMMITTEE

MEETING : Monday, 26th March 2018

PRESENT : Cllrs. Coole (Chair), Ryall (Vice-Chair), Finnegan (Spokesperson), Pearsall, Hilton, Wilson, Dee, Melvin, Smith, Patel, Pullen, Taylor, Hansdot and Tracey

Others in Attendance

Councillor James, Leader of the Council and Cabinet Member for Regeneration and Economy,
Councillor D. Norman MBE, Cabinet Member for Performance and Resources,
Councillor Noakes, Cabinet Member for Culture and Leisure,
Managing Director,
Head of Policy and Resources,
Head of Cultural and Trading Services,
City Growth and Delivery Manager,
Democratic and Electoral Services Team Leader

APOLOGIES : Cllrs. Lewis, Hampson and Hawthorne

40. DECLARATIONS OF INTEREST

40.1 There were no declarations of interest.

41. DECLARATION OF PARTY WHIPPING

41.1 There were no declarations of party whipping.

42. MINUTES

42.1 The minutes of the meeting held on 22nd February 2018 were agreed and signed by the Chair as a correct record.

43. PUBLIC QUESTION TIME (15 MINUTES)

43.1 There were no public questions.

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44. PETITIONS AND DEPUTATIONS (15 MINUTES)

44.1 There were no petitions or deputations.

45. OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME AND COUNCIL FORWARD PLAN

45.1 The Committee considered the Work Programme and the Council Forward Plan. The Chair brought to the Committee's attention that Emergency Accommodation and Housing Service Transformation would be considered at the next meeting as well as proposals surrounding the European Structural Investment Fund.

45.2 Councillor Hilton stated that, following the recent Council meeting, he would like to see the withdrawal of deep cleans from some wards to be placed on the agenda for the next meeting. The Chair agreed that Group Leads would liaise with Members as to how scrutiny of this item could be best achieved. Councillor Taylor shared his view that it would be useful to consider the next stage of the regeneration of the Fleece Hotel site.

45.3 **RESOLVED that:-**

- (1) The withdrawal of some deep cleans be entered onto the work programme;
- (2) The regeneration of the Fleece Hotel site be entered onto the work programme;
- (3) That the Overview and Scrutiny **NOTE** the work programme and Council Forward Plan.

46. ECONOMIC GROWTH STRATEGY

46.1 Councillor James (Cabinet Member for Regeneration and Economy) provided an overview of the proposed Economic Growth Strategy. He brought to the Committee's attention that the presentation represented the early stages of developing the strategy. He advised that the presentation to be considered by the Committee is what was considered by the Cabinet but that it had not been amended. Councillor James further stated that it was important that the Overview and Scrutiny Committee have input in this area. He stressed that, in terms of economic development, the Council was not working alone. By way of example, he noted the work undertaken with the Local Enterprise Partnership, the County Council and businesses in the City.

46.2 The City Growth and Delivery Manager stated that his presentation was a combination of initial thoughts and ideas and would evolve. He advised that the strategy was centred on what the Council would contribute to growth in the City. He further advised that economic development was a very small team within the Council and that he wanted a strategy that was both ambitious and dynamic.

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- 46.3 With regard to the state of the economy, the City Growth and Delivery Manager advised that Gloucester had a high employment rate accompanied by a good wage level whilst he noted a high rate of population growth. He also noted that there were some areas of real deprivation. He identified as a challenge whether there was sufficient infrastructure to continue and drive growth. He also queried how it might be possible to challenge negative perceptions of Gloucester. He noted that there was an opportunity for growth with the expansion of the University and the building of more student accommodation in the City.
- 46.4 With regard to priorities, the City Growth and Delivery Manager stated that the Council pursue a strategy to ensure that local jobs were key to the King's Quarter deal and that the knowledge economy would require targeting. He also noted that it was necessary to improve communication infrastructure in the City.
- 46.5 In terms of measuring success, he stated that a number of matters were difficult to measure numerically but that the impact of the strategy would be seen in the growth of businesses and increased consumer spending.
- 46.6 Councillor Pullen noted that the City Growth and Delivery Manager had raised the matter of deprivation in parts of the City. Councillor Pullen highlighted that such deprivation occurred across the City and was not limited to areas such as Matson and Podsmead. He further highlighted the young population of Gloucester and that it would be useful to have a greater emphasis on young people not in education, training or employment.
- 46.7 Councillor Wilson shared his view that the outline of the strategy was short with regard to time. He stated that he wanted an ambitious growth programme but queried what drove the timeline. The City Growth and Delivery Manager advised that in two years' time, the UK's withdrawal from the European Union would be clearer and that he was keen to put together a programme of work to implement growth strategies. Councillor James further advised that once a full report on this strategy had been produced, Cabinet would be able to give details of a longer term growth strategy.
- 46.8 Councillor Hilton stated that Gloucester needed to have a mixed economy with more in the manufacturing sector. He shared his view that the presentation highlighted uncertainty of leaving the European Union but did not address what could be done to improve growth. He stated that he was pleased with the Council's continued support for Gloucestershire Airport and that this needed to be considered in light of Gloucestershire 2050 proposals.
- 46.9 The City Growth and Delivery Manager agreed that the UK's withdrawal from the European Union required specific attention particular questions of labour and access to markets. He stated that the greatest issue for business was uncertainty around these matters.
- 46.10 In response to a query from Councillor Tracey on the timeframe for when the strategy would be in operation, the City Growth and Delivery Manager

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advised that it had been initially proposed as a three year plan and that it would not be prudent to speculate beyond this.

- 46.11 Councillor Tracey shared her view that not enough was being done to address issues young people face in the City. She noted that a number of youth clubs were no longer in operation but noted that young people were engaged in a new technological age. The Chair noted that the Vision 2050 project identified that many young people leave the county and queried how such a demographic could remain. He stated that it was necessary to consult with young people so as to ascertain what would have them remain in the locality.
- 46.12 The City Growth and Delivery Manager stated that young people were very important to the City. He further stated that jobs, culture and perceptions of the City were important for all across society. He advised that it would be preferable to listen to their concerns rather than stating what they should be doing. Councillor James agreed that it was important to get youth input, particularly with regard to the design of King's Square.
- 46.13 The Vice-Chair noted that driving economic growth would require working with other organisations and that Gloucester needed to lead on growth in the region. To this end, she asked how prepared the Council was to fulfil such a role. The City Growth and Delivery Manager stated that the Council was best positioned due to the democratic mandate it holds. He stated that the Council will work with a number of organisations who may have had particular interests which was not the case for the Council. Councillor James stated that the City Council was seen as a reliable and good partner and that such relationships were important.
- 46.14 Councillor Dee stated that it was pleasing that much time had been spent planning for the future of the City and that it would be positive if Gloucester were able to drive growth in the region.
- 46.16 Councillor Melvin stated that the Council needed to be mindful of not allowing businesses to land bank and should encourage the opening of small manufacturing businesses. The City Growth and Delivery Manager noted that low-skilled jobs were vital to the economy and, in relation to Gloucester driving growth stated that it was important to work with all areas.
- 46.17 The Chair thanked Councillor James and the City Growth and Delivery Manager for their presentation and time.

47. REPORT OF THE LOCAL GOVERNMENT ASSOCIATION PEER CHALLENGE

- 47.1 The Leader of the Council, Councillor James outlined the findings of the Local Government Association Peer Challenge as well as the action plan which had been drawn up. He stated that there had been positive progress since the last Peer Challenge which took place in 2013. By way of example, Councillor James highlighted the changes in the Council's financial position as well as member/Officer relations.

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- 47.2 With regard to areas to be considered, Councillor James stated the action plan was a matter of building on progress rather than criticism.
- 47.3 Councillor Hilton suggested continued working with Vision 2050 and queried how the Council was going to follow it up. He further shared his view that it required wide-ranging conversations for something that would benefit the City long term. Councillor James advised that there would be a debate at Council on this matter. As Gloucester was the capital of the county, the City should be putting its views forward.
- 47.4 The Chair queried whether the matter of Vision 2050 should be considered by Council or the Overview and Scrutiny Committee given the latter's non-political nature. In response, Councillor James stated that it being considered by Council would give the subject the importance it requires.
- 47.5 The Managing Director stated that the Peer Review team had made clear that the Council's achievements had shown that Gloucester was operating within a sphere which was at a higher level.
- 47.6 Councillor Pullen noted that it was a good report and that it was evident that there had been a vast array of improvements. With regard to the action plan, he expressed surprise that organisational change was being considered after the Together Gloucester re-organisation. He queried the need to bring in consultants and whether there was capacity within the Council. He also asked for examples of what their work had entailed.
- 47.7 The Managing Director advised that a further part of Together Gloucester was examining at processes and services. He further advised that Ignite was training Council staff in business process re-engineering and that this could not be achieved prior to the staff restructure. Additionally, the Managing Director stated that the Ignite team were halfway through their intended presence and they were training Council staff. He further stated that the process of identifying efficiencies would continue.
- 47.8 Councillor Wilson stated that the recommendation on a housing strategy covering Gloucester, Cheltenham and Tewkesbury was a good one but queried why, as it stood, it was exploratory rather than a serious commitment. The Managing Director advised that this was because it could not be guaranteed that partners will engage in the process.
- 47.9 In response to a comment from Councillor Dee on working with other authorities around housing strategy, Councillor James advised that after the adoption of the Joint Core Strategy, other areas would be brought into the strategy.
- 47.10 The Chair stated that Members were noticeable by their absence from the Peer Challenge report. He reported that he had attended a meeting about scrutiny with the Peer Challenge but this did not feature in the report. Councillor James stated that he did not attend this meeting but that it was not raised as a negative point and Member-Officer relations had improved.

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48. FINANCIAL MONITORING QUARTER 3 REPORT

- 48.1 The Cabinet Member for Performance, Councillor D. Norman, outlined the report and brought to the Committee's attention that the report was based on a summary of a best estimate. He stated that he was confident matters would move forward. He continued by advising that it was correct to highlight savings that had been made.
- 48.2 Councillor Norman advised that the forecast for the year end was for a reduction to the General Fund balance of £38k and that this could be greater. He expressed his hope that finance officers' counsel would be appreciated.
- 48.3 In response to a query from Councillor Norman as to whether there had been any serious intervening events, the Head of Policy and Resources advised that he expected the position to have improved and could be better than break even.
- 48.4 Councillor Hilton noted that three portfolios had overspent (regeneration, culture and planning) and further noted the Together Gloucester's savings target of £1m. He queried whether this suggested that there was further money available.
- 48.5 Councillor Hilton further highlighted that the income forecast for Eastgate Market had decreased despite high hopes being voiced prior to Christmas (although he did note that such matters could often be seasonal). He also queried how this lower income would be dealt with.
- 48.6 Councillor Norman stated his belief that the number of traders had remained steady and that the position had been strengthened overall. He also stated that the options for the Council moving its operation should be considered. The Head of Policy and Resources advised that short term borrowing had been undertaken which had resulted in savings on interest.
- 48.7 Councillor Hilton queried if it was the case that the budget was unsound and the generation of additional income had saved it. Councillor Smith noted the risk that had been identified regarding revised forecasts not being achieved and queried whether this had been achieved. The Head of Policy and Resources advised that planning had expected greater income and was happy to update Members on the figures. In response to a query from Councillor Pullen regarding whether increased planning fees would affect income, the Head of Policy and Resources advised that these funds must be used for the planning department.
- 48.8 The Chair thanked Councillor Norman and the Head of Policy and Resources for their presentation of the report and for answering queries. The Chair invited the Cabinet Member for Culture and Leisure, Councillor Noakes, to answer queries Members had about her portfolio.

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- 48.9 Councillor Noakes introduced the Culture and Leisure aspect of financial monitoring and stated that there had been an overspend. She stated that a key area which contributed to the overspend was staffing and that some of these staffing costs did not fall into her portfolio. By way of example, she stated that some of the work of the Head of Cultural and Trading Services was in different areas such as markets and Shopmobility.
- 48.10 Councillor Noakes advised the Committee that approximately 40% of staffing sat in no portfolio. She further advised that there was a 3% vacancy rate and that there were some transition costs. She stated that some of these costs would continue but that most was for the present year only (such as extra staffing costs).
- 48.11 She further outlined that additional costs had been incurred for works undertaken at the Life Museum. Councillor Noakes informed the Committee that cinema prices had decreased and that these would be reviewed but that there had been a 25% increase in attendance.
- 48.12 With regard to food and drink provision, Councillor Noakes advised that some staffing issues had been resolved. She stated that there were ambitious targets for income and that the food and drink manager had the ability to focus and deliver.
- 48.13 Councillor Wilson stated that it appeared there were costs that should have been attributed to other portfolios and shared his view that it would be preferable to adjust this. The Chair stated that it was important to have accuracy in reporting. The Head of Policy and Resources advised that the budget was based on the structure of the Council and that he would look at how this could be improved. He also clarified for Councillor Hansdot that holiday pay was being paid but that there had been a delay which was rectified.
- 48.14 In response to a query from Councillor Melvin about staffing levels at the Guildhall, Councillor Noakes advised that members of the Visitor Experience team worked across different venues. The Head of Trading and Cultural Services stated that this was not a case of job-sharing but flexible staff. The Head of Policy and Resources noted that the Together Gloucester transformation process delivered this multi-skilled team.
- 48.15 Councillor Melvin queried why someone who had been prepared to take on operating the café had not been followed up. She also queried why zero-hour staff were more expensive and shared her view that a different classification of staff would overlap in other areas. Councillor Noakes advised that this was not the case as they were employed in a 'backfill' capacity.
- 48.16 Councillor Smith queried why income targets were structured in the way they were if they continued to not be met. The Head of Policy and Resources advised that this was in order to enable the whole service to improve the portfolio. He stated that with the new structure, there was flexibility so the finance team would not be reporting something similar next year. Councillor

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Noakes stated that food and drink sales were an area where more income could be generated. The Head of Policy and Resources believed the food and drink service to improve by the end of the year.

48.17 Councillor Hilton noted the portfolio having overspent £38k and highlighted the closure of the museum café by way of example. The Head of Cultural and Trading Services stated that the food and drink manager had been filling in other roles rather than development work but that this was to change.

48.18 Councillor Wilson stated his belief that the Council did not employ staff on a zero-hour basis. The Head of Policy and Resources confirmed that they were paid at the living wage on zero-hour contracts.

48.19 The Chair thanked Councillor Noakes and the Head of Cultural and Trading Services for their time and answering Members' queries.

49. DATE OF NEXT MEETING

30th April 2018 at 6.30pm in the Civic Suite, North Warehouse.

Time of commencement: 6.30 pm hours

Time of conclusion: 8.25 pm hours

Chair