

LOCAL ECONOMY SCRUTINY PANEL**4 February 2010**

Attendance:

Councillors:

Anthony (Chairman) (P)

Bell (P)
Cook (P)
Henry (P)
Humby (P)
Huxstep (P)
Love (P)

Pearce (P)
Sanders (P)
Stephens (P)
Verney (P)

Others in attendance who addressed the meeting:

Councillor Stallard (Portfolio Holder for Heritage, Culture and Sport)
Councillor Beckett (Leader with Portfolio for Economy and Tourism)
Councillor Tait

1. DISCLOSURES OF INTEREST

Councillors Beckett and Stallard declared personal and prejudicial interests due to their involvement as Cabinet Members in actions taken or proposed in the Reports outlined below.

However, the Panel asked the Cabinet Members, as Portfolio Holders, to remain in the meeting, under the provisions of Sections 21(13)(a) of the Local Government Act 2000, in order that they could provide additional information to the Panel and/or answer questions.

2. MINUTES

RESOLVED:

That the minutes of the previous meeting held 17 November 2009 be approved and adopted.

3. PUBLIC PARTICIPATION

There were no questions asked or statements made.

4. **CULTURE AND ECONOMY INFORMAL SCRUTINY GROUP (ISG): FINAL REPORT**
(Report [LE78](#) refers)

This Report had not been notified for inclusion within the statutory deadline. The Chairman agreed to accept this item onto the agenda as an item requiring urgent consideration, in order that the matter could be discussed and any recommendations made to Cabinet without delay.

Panel Members who had taken part in the ISG, all welcomed the manner in which it had been conducted and the usefulness of its discussions. In particular, the ISG acknowledged the importance of the cultural and creative facilities for the overall Winchester economy. However, a number of Members emphasised the Group's frustration regarding the difficulties in utilising developers' Section 106 Open Space contributions for cultural or creative opportunities. They commented that other local authorities, particularly Eastleigh Borough Council, appeared able to acquire developer funding for such purposes.

Councillor Beckett advised that the Open Space provisions were set out in the current Winchester District Local Plan and it was not possible to change retrospectively the provisions under which contributions were collected and spent. However, the emerging Local Development Framework (LDF), which would in time replace these policies, provided an opportunity to reconsider existing policy and potentially broaden the scope for collection of Section 106 contributions.

At the invitation of the Chairman, Councillor Tait addressed the Panel as a Member of the ISG and concurred with views expressed by other Members above. However, he believed that to wait for any new policy as part of the LDF process would take too long and officers should endeavour to make the necessary changes to current policy as soon as possible, to be applicable for any future development at Barton Farm, Winchester.

Members queried whether it was possible for the Council to approach developers informally, to request that monies collected be spent on purposes other than those formally stipulated in the Open Space Policy.

The Head of Legal Services advised that, although it was legally possible to vary a Section 106 agreement, the Council would be required to demonstrate that it related to a planning purpose, otherwise it would be open to challenge by an interested party (which could be the developer, a local resident or District Audit). He reminded the Panel that the purpose of Section 106 was to remove a planning objection that would otherwise prevent a planning application being acceptable; it was not a form of taxation on development.

The Corporate Director (Operations) confirmed that with large sites, such as the West of Waterlooville Major Development Area (MDA), matters such as provisions for cultural and creative facilities were generally included in early negotiations with the developers. In relation to smaller sites the Open Space Policy would be applied, but no 'tariff' based formula for cultural facilities was currently in place. The Corporate Director emphasised that the Council's Open Space Policy had been tested and found to be sound, and that the Council

should not jeopardise this by suggesting that monies be used for a different purpose. He mentioned the difficulties currently being experienced by other authorities with contributions policies which were not so well established.

The Corporate Director advised that before a new Policy could be adopted, the Council must be able to demonstrate evidence of the requirement for cultural or creative facilities. The Head of Economic and Cultural Services confirmed that work on creating this evidence base was underway and it was hoped that this would be completed, for the whole of Hampshire, by the end of March 2010. The next stage would involve a condition survey, with the Council examining key cultural facilities and likely future demand. This would then inform any new Policy, including a tariff for developer payments. The Head of Legal Services highlighted that the Policy would have to go through a formal process prior to adoption.

Councillor Stallard commended the work of the ISG and concurred with views of Panel Members who wished that S106 monies could be deployed for a wider range of purposes and that it would take too long to wait for changes under the LDF process. She queried whether the Council could adopt a Supplementary Planning Document (SPD) to alter the existing Open Space Policy.

The Head of Legal Services advised that it would be necessary to have proper evidence to justify a new SPD. He repeated the Corporate Director's comments regarding negotiations which already took place with developers of large new sites. This included discussions with Cala Homes, the developer who intended to make an application for Barton Farm, Winchester.

The Corporate Director (Operations) agreed to supply Members with an up-to-date list of available Open Space funds.

Following further discussion, the Panel agreed that officers be asked to prepare a further Report to its 19 July 2010 meeting on recommendations ii) and iii) of the ISG's Report.

The Panel also agreed to make recommendations to Cabinet based on recommendations i), iv) and v) of the ISG's Report.

RESOLVED:

1. That the following recommendations of the Culture and Economy ISG be put forward for further consideration by Cabinet:

- (i) That a more flexible pricing strategy be employed at Winchester Guildhall to stimulate cultural usage;**
- (ii) That an appropriately qualified officer, particularly with relevant commercial sector experience, be given total responsibility by the Council for negotiating terms with developers for the use of S106 money that they are required to contribute under current and future policy;**

- (iii) **That the economic value of cultural events and activities within the District be recognised with appropriate financial support, as and when such funding can be identified.**

2. That a detailed report be submitted by the Head of Legal Services and the Head of Strategic Planning to the 19 July 2010 meeting of the Panel, in response to the following recommendations by the ISG:

- (i) That officers bring back a further report on how previously contributed, but unused, S106 money could be applied to cultural projects and activities, although not in the original agreement, having regard to the fact that other local authorities have achieved this arrangement;
- (ii) That the Council's policy for S106 agreements be rewritten to allow for money to be contributed directly to cultural projects and activities that are designed to enhance the quality of life in the District and thereby benefit the economy.

5. **SUSTAINABLE COMMUNITY STRATEGY OUTCOME: ECONOMIC PROSPERITY – QUARTER 3 2009/10 PERFORMANCE MONITORING UPDATE (EXCEPTIONS ONLY) – LEADER PORTFOLIO AND PORTFOLIO HOLDER FOR HERITAGE, CULTURE AND SPORT**
(Report [LE76](#) refers)

During debate, the Panel asked questions on a number of subjects (summarised below), and from the Portfolio Holders' responses, did not wish to highlight any concerns to Cabinet.

Members discussed whether there was any correlation between the reducing numbers of tourist information centre (TIC) enquiries, the increase in number of TIC website visits, and the reduced opening hours of the TIC. The Head of Economic and Cultural Services advised that the reduced hours had commenced at the start of 2009, and the new website had been launched in August 2009. In addition, the TIC was aiming to provide an increased service for local residents and the tourism marketing section had already developed a "Your Winchester" brand, designed to promote the area to local residents and their visitors.

The Head of Economic and Cultural Services advised that informal feedback suggested that tourism in Winchester was following a similar trend to other comparable towns, with regard to the current economic climate. An official benchmarking exercise was undertaken every three years, or when funds permitted.

One Member queried why figures for the Theatre Royal did not include percentage attendance, as had previously been requested by the Panel. The Head of Economic and Cultural Services explained that unfortunately, staff sickness at the Theatre had prevented it on this occasion, but confirmed it would be provided in future reports.

A Member queried the meaningfulness of the performance indicators contained in the Report as a measure of the Council's economic prosperity. Councillor Beckett responded by emphasising that the Report included measurement of local indicators which contributed towards the overall economic prosperity of the District. The Head of Economic and Cultural Services also highlighted that the Report only reported on exceptions, whereas the full list of indicators was included in the Business Plan, which could be viewed by all Members on the Council's Intranet.

On a matter relating generally to economic prosperity, Councillor Bell queried whether businesses had been consulted regarding the impact of the current and proposed closure of the railway bridges in Winchester town. In addition, she asked whether businesses had been consulted regarding the proposals to change the method of parking payment in some town centre car parks.

With regard to the consultation on railway bridges, Councillor Beckett advised that he would ascertain the current situation and report back to Councillor Bell outside of the meeting. Councillor Beckett reported that consultation on parking proposals had been discussed with the Winchester BID and also with business leaders as part of the general budget discussions.

RESOLVED:

That the monitoring information in the Report be noted.

6. ECONOMIC STRATEGY 2010-2020: CONSULTATION DRAFT
(Report [LE77](#) refers)

Councillor Beckett advised that the Strategy would form an important element of the Local Development Framework (LDF) process and contained actions that, in the main, could be delivered or driven by the Council. He emphasised that the Strategy was now out for consultation and welcomed comments on its contents.

Councillor Beckett confirmed that, as Chairman of the PUSH Development Panel, he would be taking steps to ensure the provision of broadband was improved across the District.

One Member requested that the support for the rural economy, particularly in terms of allowing appropriate development, should be improved within the Strategy. He suggested that there should be some mechanism in place whereby appropriate planning applications within areas of countryside be forwarded to the Economic Development Officer for input, prior to decision.

Councillor Beckett noted these comments and agreed to discuss the matter further with the Head of Economic and Cultural Services when finalising the Strategy for Cabinet.

One Member suggested that economic prosperity be included in the Strategy as a specific goal. He also considered that the wording of the third key outcome, in relation to opportunities relating to London 2012 Olympics, was not sufficiently defined.

The Head of Economic and Cultural Services agreed to consider how the goal of improving the economic prosperity of the District in the Strategy could be emphasised. In addition, she suggested that the Strategy extract three or four key performance measures from the various indicators mentioned (on page four of the Strategy) and set specific targets for these over the next five to ten years. These targets would be specifically utilised to measure the progress towards the economic prosperity goal.

With regard to comments on the proposed 2012 outcome, the Head of Economic and Cultural Services emphasised the opportunities that the Olympics would create for the District. However, as the Strategy was to cover a ten year period, she agreed to redraft this outcome to perhaps include mention of the 2012 Olympics as a relevant bullet point, rather than within the main outcome.

Councillor Stallard advised that the Sports and Physical Activity Alliance (SPAA) had established an Olympics Sub-Committee, which would hold meetings with parish and town councils to consider the potential of the Olympics to rural areas.

Councillor Beckett also mentioned the opportunities available to the District from “green economy” initiatives, particular in terms of knowledge and science based skills.

One Member queried whether the Strategy included consideration of the impact of the changing demographic of Winchester, with younger people being unable to afford to buy properties within the Winchester town area. Councillor Beckett confirmed that the Council’s Housing Strategy recognised the difficulties facing the younger generation regarding finding accommodation. However, he agreed to consider the impact of the potential change in demographic on the economic prosperity of the District within the Strategy.

A Member suggested that the possibility of introducing a WiFi zone in Winchester be investigated. The Head of Economic and Cultural Services agreed to investigate this further, possibly in relation to “smarter working” initiatives that were ongoing in conjunction with the County Council.

RESOLVED:

That the contents of the Draft Economic Strategy be welcomed, subject to consideration of the comments and suggestions outlined above.

7. **SCRUTINY WORK PROGRAMME**
(Report [PS396](#) refers)

The Panel noted that the Programme would be amended to note that the Culture and Economy Informal Scrutiny had submitted its final report. In addition, the report back on the Open Space provisions would be added to the business of the 19 July 2010 meeting.

RESOLVED:

That the Scrutiny Work Programme, as set out on the reverse of the agenda, and as extracted from Report PS396, be noted.

The meeting commenced at 6.30pm and concluded at 8.45pm

Chairman