

LOCAL ECONOMY SCRUTINY PANEL**16 November 2010**Attendance:

Councillors:

Nelmes (Chairman) (P)

Anthony

Fall (P)

Humby (P)

Hutchison (P)

Love (P)

Power (P)

Sanders (P)

Stallard

Deputy Members:

Councillor Beckett (Standing Deputy for Councillor Stallard)

Others in attendance who addressed the meeting:

Councillor Hiscock (Portfolio Holder for Economic Prosperity)

1. APPOINTMENT OF VICE-CHAIRMAN

RESOLVED:

That Councillor Power be appointed Vice-Chairman of the Panel for the remainder of the 2010/11 Municipal Year.

2. DISCLOSURES OF INTEREST

Councillor Hiscock declared a personal and prejudicial interest, due to his involvement as a Cabinet Member in actions taken or proposed in the Reports outlined below.

However, the Panel requested that he remain in the meeting, in his capacity as Portfolio Holder, under the provisions of Section 21(13) (a) of the Local Government Act 2000, in order that he could provide additional information to the Panel and/or answer questions.

3. MINUTES

In response to a Member's suggestion at a previous meeting, it was noted that the Economic Development Officer was checking the weekly planning applications list to provide colleagues with an opportunity to comment on

countryside planning applications. The Panel requested that a progress update on this issue be provided for the next meeting and this was agreed.

RESOLVED:

1. That the minutes of the previous meeting held 19 July 2010 be approved and adopted.
2. That an update on progress on the suggestion outlined above regarding liaison with the Economy and Arts Team on planning applications within the countryside be provided for the next Panel meeting.

4. **PUBLIC PARTICIPATION**

There were no questions asked or statements made.

5. **CAPITAL PROGRAMME 2010/11 TO 2013/14 – BUDGET OPTIONS**
(Report [CAB2074](#) refers)

One Member reiterated concerns he had raised at both the previous Cabinet and Principal Scrutiny Committee meetings, regarding the proposal to defer major expenditure on River Park Leisure Centre (RPLC) until 2013/14. He believed that the limited repairs proposed would only offer a short-term solution and did not address the need to tackle the high energy use of the centre. In addition, he queried why potential capital receipts from expiration of a number of long leases had not been included.

Councillor Hiscock responded that the decision to postpone expenditure on a major refurbishment of RPLC had been taken as Cabinet were not satisfied that the original proposals offered the best value for money at this stage. He highlighted that the proposed expenditure in 2011/12 would be to undertake essential works, such as replacing certain pumps in the pool and the electricity switchboard.

The Head of Finance advised that the Report outlined a programme of possible expenditure and did not include details of potential funding, such as possible capital receipts. She confirmed that she would continue to liaise with the Estates Team regarding long leases and other means by which capital receipts could be maximised.

One Member expressed concern about the proposals to remove the phased funding to maintain the condition of the Hockley Viaduct, whilst noting that negotiations with Sustrans to transfer ownership were ongoing. He believed this could lead to the deterioration of the structure whilst these negotiations were progressing. He stressed the importance of the Viaduct on economic prosperity grounds, due to the benefits of the proposed cycle route. Councillor Hiscock agreed to investigate these concerns further, in conjunction with the Portfolio Holder for High Quality Environment.

A Member raised the possibility of a separate trust being established to take over ownership of the Viaduct. However, the Panel noted that this idea had been investigated previously and not pursued due to various difficulties.

The Chairman queried the proposed removal of the budget regarding St George's Street improvements, as she believed it was important to maintain the appearance of the area in economic terms of encouraging businesses and shoppers into Winchester. Councillor Hiscock explained that there were various uncertainties in relation to proposed future repairs to the Winchester Centre and also St George's Street's role in the new Winchester Town Access Plan. It was therefore thought prudent to defer expenditure until these matters had been addressed.

In response to questions, Councillor Hiscock advised that it was intended to spend £150,000 on refurbishment of The Square, provided the related County Council expenditure was confirmed. Some Panel Members emphasised the importance of this proposed refurbishment work in terms of the economic prosperity of the area.

RESOLVED:

1. That comments to Cabinet be forwarded on:

- a) the importance of ensuring continued funding of maintenance of the Hockley Viaduct whilst negotiations with Sustrans are ongoing;**
- b) the value in economic prosperity terms of funding High Street improvements in The Square, provided County Council funding was also forthcoming.**

2. That the remaining initial Capital Budget Options be noted.

6. GENERAL FUND BUDGET CONSULTATION 2011/12
(Report [CAB2078](#) refers)

In response to questions, the Assistant Director (Economic Prosperity) advised that all of the Council's activities in support of the local economy were discretionary. Councillor Hiscock confirmed that the Council would seek to continue to support all those activities, although he could not guarantee the same levels of funding would be available.

Some Members expressed concern about the impact of the proposed introduction of Sunday car parking charges on local businesses and retailers.

Councillor Hiscock highlighted that Winchester was currently the only place in a benchmarking group of similar towns that did not charge for parking on Sundays. He highlighted that the impact of the VAT increase meant that parking charges would have to increase and the alternative would be to increase charges during the week. The Assistant Director (Economic Prosperity) supported the comments made that research had indicated that

the proposed Sunday charges would not affect shoppers' decisions to visit Winchester.

The Assistant Director provided more detail to the Panel on the proposed budget options relating to the Prosperous Economy Strategic Outcome, as summarised in Appendix C of the Report. She advised that it had been estimated that the introduction of charging for entry to museums would result in a drop in visitors of between 30 to 50%. The proposals assumed school visits would continue to be free. Councillor Hiscock highlighted that one option would be to close the City's Westgate Museum, but make it available for private lettings and special heritage events.

The Assistant Director reported that she envisaged more savings than those currently detailed would be achievable over time under the Tourism budget heading, through shared service workings and the possible increase of private sector contributions. In addition, possible redesign options for the Tourist Information Centre would be forthcoming at a future stage.

One Member highlighted the proposal to reduce the Council grant to the Theatre Royal by £50,000 from 2013/14, as mentioned in Report SO122 below and the potentially significant detrimental effect this could have on the Theatre - and consequentially the economic prosperity of Winchester. Councillor Hiscock agreed that the importance of the Theatre in terms of the local economy was recognised in discussions on this matter.

RESOLVED:

1. That reports be brought back to the Panel monitoring the effect of the proposed changes to car parking charges.
2. That the remaining General Fund Budget Options related to the Economic Prosperity outcome section of Appendix C to the Report, be noted.

7. **DRAFT CHANGE PLANS**
(Report [SO122](#) refers)

The Assistant Director (Economic Prosperity) advised that the draft Change Plan which contained the four outcomes of particular relevance to Economic Prosperity were contained as Appendix 3 of the Report.

One Member emphasised that the Council had overall responsibility for the Change Plans and believed that there were potential risks in relying too heavily on partner contributions. Councillor Hiscock stated that it was essential that the Council made plans which set out what it wanted to achieve and use its previous experience to work with partners different strengths and weaknesses.

A Member stated that there was a requirement for the Council to address the needs of unskilled workers. The Assistant Director explained that measures

were included within Economic Prosperity Outcome 3, but she would examine whether this could be strengthened further.

One Member highlighted the importance of the growing renewable energy sector and suggested that an additional action point be added to the “What we will do 2011/12” column of Policy EP2.1 as follows:

“d) encourage and promote entrepreneurial approaches to the local carbon economy”

This would emphasise the opportunities currently available in terms of Government grants for low carbon energy initiatives. The Panel agreed, but added that there was a need for a more entrepreneurial approach in general across the sectors.

Some Members also highlighted the possible tension between the Council’s spatial planning policies and policies to encourage a more entrepreneurial approach, particularly in terms of the rural economy. The Assistant Director advised that Policy EP3.4 aimed to address this by the statement: “Establish practical planning processes and LDF polices which support delivery of a thriving rural economy.” However, the Panel believed that this should be strengthened to address concerns raised regarding the difficulties of developing the economy in rural areas.

The Assistant Director agreed to consult with the Portfolio Holder for Economic Prosperity and incorporate further actions into the Change Plans to take account of the Panel’s discussion.

RESOLVED:

That the Portfolio Holder for Economic Prosperity consider the comments and proposed additions to the Economic Prosperity Change Plan for inclusion within the final Change Plans to be presented to Cabinet for adoption in January 2011.

8. **SUSTAINABLE COMMUNITY STRATEGY OUTCOME: ECONOMIC PROSPERITY – QUARTER 2 2010/11 PERFORMANCE MONITORING UPDATE**

(Report [LE86](#) refers)

The Assistant Director (Economic Prosperity) highlighted the significant work that had been achieved, particularly in the current challenging circumstances of staff reductions and changing working practices.

RESOLVED:

That the performance information in the report be noted.

9. **APPOINTMENT OF INFORMAL SCRUTINY GROUPS ETC 2010/11**
(Report [LE87](#) refers)

The Chairman advised that, in addition to the suggestions for Informal Scrutiny Groups (ISGs) contained within the above Report, ideas had also been received from two Members as follows:

- to identify the extent the Council engages with the new localism agenda;
- the rural economy input into the Local Development Framework (LDF) consultation with a view to ensuring that its importance is emphasised.

However, following discussion, the Panel agreed to establish an ISG to consider the Low Carbon Economy and how it could be evolved in the District, having particular regard to planning policies and practices, and the requirement for skills development.

RESOLVED:

That, subject to the approval of Principal Scrutiny Committee or Cabinet, an Informal Scrutiny Group be established to examine how the Low Carbon Economy could be evolved in Winchester District, with membership as follows:

Councillors Humby, Hutchison, Nelmes and one other Conservative Member (name to be advised)

10. **PRESENTATION ON PREPARATIONS FOR 2012 OLYMPICS**

The Panel agreed that this presentation be deferred until its next meeting on 3 February 2011.

RESOLVED:

That the presentation be deferred.

11. **SCRUTINY WORK PROGRAMME (REPORT PS431 REFERS) AND MATTERS ARISING.**

RESOLVED:

That the Scrutiny Work Programme, as set out on the reverse of the agenda, and as extracted from Report PS431, be noted.

The meeting commenced at 6.30pm and concluded at 9.05pm

Chairman