

**THE OVERVIEW AND SCRUTINY COMMITTEE**

**11 July 2016**

Attendance:

Councillors:

Learney (Chairman) (P)

Griffiths (P)  
Gemmell (P)  
Hiscock (P)  
Huxstep

Laming (P)  
Stallard (P)  
Tod (P)  
Thacker (P)

Deputy Members:

Councillor Gottlieb (Standing Deputy for Councillor Huxstep)

Others in attendance who addressed the meeting:

Councillors Godfrey (Leader), Burns, Horrill (Portfolio Holder for Housing Services) and Pearson (Portfolio Holder for Environment, Health and Wellbeing)

Others in attendance who did not address the meeting:

Councillors Elks and Humby (Portfolio Holder for Business Partnerships)

---

1. **DISCLOSURE OF INTERESTS**

Councillors Stallard and Tod each declared a disclosable pecuniary interest in respect of agenda items due to their role as County Councillors. Councillor Thacker, whose husband was a County Councillor, also made a similar declaration. However, as there was no material conflict of interest, they remained in the room, spoke and voted under the dispensation granted on behalf of the Standards Committee to participate and vote on all matters which might have a County Council involvement.

2. **MEMBERSHIP OF SUB-COMMITTEES AND INFORMAL GROUPS ETC**

RESOLVED:

That Councillor Griffiths be appointed Conservative Group deputy member on the Environmental Services Joint Scrutiny Committee (with East Hampshire District Council) for 2016/17.

3. **MINUTES**

RESOLVED:

That the minutes of special meeting held on 13 June 2016, be approved and adopted, subject to an amendment to the wording (as highlighted below), as set out on Page 4, to read as follows: 'Michael Carden (City of Winchester Trust) felt that the **'scale of the development covered'** by the scheme...'

4. **PUBLIC PARTICIPATION**

At the invitation of the Chairman, Geoff Wright, representing St Giles Hill Residents Association and Councillor Burns, addressed the Committee in relation to Item 5 (Leisure Centre Replacement Project). A summary of their representations are detailed under the relevant Item below.

5. **LEISURE CENTRE REPLACEMENT PROJECT**

(Report CAB2820 refers)

Councillor Godfrey introduced the Report which outlined the background to the proposals. He welcomed the support of the Council's various partners, including the University of Winchester, the Pinder Trust and Hampshire County Council (HCC). The Report had been previously considered by Cabinet at its meeting on 6 July 2016, whereby lengthy debate had ensued in relation to what the City of Winchester needed in a Leisure Centre. It was noted that Cabinet had accepted recommendations contained in the Report for dry-side facility mix and had given careful consideration to the wet-side options, as set out in the Report, which focussed on the question as to whether the new Centre should include a 25m or a 50m swimming pool.

Councillor Godfrey referred the Committee to the recommendations of Cabinet, as set out in the extract from the minutes of Cabinet circulated at the meeting for reference purposes. He drew Members' attention to the preference of Cabinet, seeking a business case and design to be drawn up based on the provision of a 50m pool with a 414 spectator seating area (Option 2B), as set out in Paragraph 2.5 to the Report, together with the Facility Mix contained within Appendix 2 to the Report.

He summarised that on the whole, the aspirations of everyone involved could be achieved if the decision was taken to proceed with development of a new Leisure Centre at Bar End with a facility mix inclusive of the provision of a 50m swimming pool. The Leisure Centre could therefore be developed into an exciting and

innovative Centre of Excellence to be used for all areas of sport and leisure activities.

In conclusion, Councillor Godfrey stated that the design and planning process of how the desired facility mix could be achieved at the site identified at Bar End would be progressed and refined in the next phase, now it had been identified what the design should include. This would include the facility's access and would also consider what else needed to be developed around the site (including the Depot site) in order to create a master plan of the area. Representatives from the various Groups nearby to the development, including allotment holders, would continue to participate in the process.

At the invitation of the Chairman, Mr Wright, representing St Giles Hill Residents' Association, addressed the Committee and answered Members' questions thereon.

In summary, Mr Wright expressed concerns regarding the full release of the £770,000 supplementary estimate allocated for the Design, Project Management and other professional services, in order to progress with the replacement Leisure Centre Project up to RIBA Design Stage 3. He also drew the Committee's attention to the statement circulated to Members and maps of the Bar End area circulated at the meeting. Reference was made to areas that he referred to as areas of uncertainty and risk at surrounding sites including: Bar End Depot Site (owned by WCC); Chilcomb House (owned by HCC and occupied by Hampshire Cultural Trust); and the Garrison Ground. He stated that there was an urgent need to review the project risks such as light and traffic pollution, creeping urbanisation, flooding, access and relocation costs. He considered it essential for well-used community and amenity assets, such as King George V (KGV) playing field in Highcliffe, to be preserved.

In conclusion, Mr Wright stated that the uncertainties and concerns raised could be addressed with the commissioning of a masterplan for the whole of the Bar End area to enable developments to be integrated (particularly in relation to sustainability and energy efficiency) and to highlight opportunities and encourage community involvement.

At the invitation of the Chairman, Councillor Burns addressed the Committee and responded to Members' questions thereon.

In summary, Councillor Burns made reference to the question and answer session that had taken place during Cabinet. She stated that Cabinet had taken into account the views put forward by Winchester Sports and Leisure Trust (SALT) and local residents with regard to facility mix. In light of the comments raised by St Giles Hill Residents' Association in relation to site allocation, Councillor Burns urged Members to re-visit this aspect of the project by entering into further discussions with Tesco, and reviewing opportunities in the southern most part of the site, making specific reference to land at Chilcomb Lane.

Councillor Burns expressed concern regarding the procurement process which would be followed, and asked the Committee to look at proposals carefully to ensure transparency. She suggested that external advice and assistance would be required.

In response, Councillor Godfrey stated that at the present time, the proposals were to consider potential locations for the Leisure Centre on the east side, based on the decision made by Cabinet at its meeting on 9 September 2015 with the selection of Option 5 as preference and Option 2 as an alternative. As a result, the Council would not be looking at any other site location. Councillor Godfrey confirmed that no decision had been taken on the layout or design of any building; the Leisure Centre or the area surrounding it. This would form part of the next phase of the Project.

During discussion, the Committee raised a number of comments and concerns in relation to the following matters including details of the offers made to Tesco and the costs involved; the flexibility for the inclusion of additional leisure facilities (e.g. gymnastic facility) later in the Project; and the uncertainty of the future use of the surrounding sites of Bar End Depot, Chilcomb House, loss of KGV play areas and use of the land owned by Tesco, as previously raised by Mr Wright during public participation.

The Corporate Director (Service Delivery) reminded Members that, should they wish to consider specific details of the financial aspects and the offers made to Tesco for land purchase, it would be necessary to discuss this matter further during exempt session.

In response to concerns raised by Members, Councillor Godfrey stated that future provision of additional leisure facilities at the Centre would be taken into account when looking at the configuration of the site. However, Fields in Trust had been reassured by the facility mix proposals put forward to them and would continue to be involved in the process going forward. The masterplan process would be carried out in the next design phase: however, it had not yet been decided what would be included and this would be subject to further consultation going forward.

In relation to the concerns regarding the uncertainty regarding future use at surrounding sites, it was noted that where sites were not under the control of the Council an element of uncertainty would necessarily exist but that this would be reduced by moving to the next stages of the project. However, in terms of what the Council was able to control, there had already been progress, notably at the former Depot site where a number of ideas for the use of the site had been received with four different plans being progressed. The Corporate Director explained that a small part of the KGV Playing field would be required, but this could be replaced by dedicating other land in the Council's ownership. According to the Council's records, and those of Fields in Trust, land which had been

transferred to the Council in exchange for KGV land taken for the construction of the M3 motorway, had not been previously dedicated as KGV land. Lastly, the Committee noted the concern regarding the land owned by Tesco, currently leased to the City Council.

The Corporate Director (Service Delivery) reminded the Committee that the Garrison Ground was protected under the Local Plan as playing field land, and it was intended that it would remain so whilst the Council made planning policy. Therefore although proposals could be made by Tesco for the change of use or development of the land, the Council would continue to reject them and seek to maintain control over the use of this area through the Local Plan as it did over all other land. He reported that the Council had offered to buy the Garrison Ground from Tesco for playing field value and to be retained as playing fields, in perpetuity, but Tesco had refused to accept this offer.

In relation to further concerns raised regarding risk that could prevent the Council from the way in which land could be used for the development of the Leisure Centre, officers reiterated that an element of risk existed (as would be the case with any development of this scale), and that whilst it was considered that appropriate steps were being taken to mitigate these the risks would rise if a community group sought to challenge any agreement the Council was able to reach with Fields in Trust. Hampshire County Council's (HCC) future plans for Chilcomb House (currently occupied by Hampshire Cultural Trust as a back office facility) were not known. However, the Council would be working with HCC and Hampshire Cultural Trust on the site plan with regards to access and improvement for what may happen in the future.

The Committee considered the various matters outlined in the Report and questions were answered thereon on a number of issues, as set out below:-

(i) Facility Mix

The Committee largely supported the facility mix of the development and RPT's consulting model but queried the following points: the addition revenue potential and dual pool use and costings (i.e. simultaneous club use/adult lane swimming, etc); the impact of renewable energy costs and good energy provision; financial modelling; pricing structure to ensure value for money for the general public.

(ii) Key Partnership Considerations

The Committee agreed that every opportunity should continue to be taken to work in consultation with SALT, stakeholders and other sports clubs, together with involving local community groups and residents of Highcliffe throughout the next phase of the project to ensure needs and aspirations are met wherever possible. Councillor Godfrey reported that a Forum

would be formed in due course to progress this matter, to enable residents involved in this project to have a focus for input.

Councillor Laming stated that he had previously contacted the Leader to suggest the Ministry of Defence be involved in the project. Councillor Godfrey confirmed he was in regular contact with local MOD officials and would endeavour to establish a basis for any funding provision.

(iii) Outline Procurement and Decision Making Strategy

Councillor Gottlieb spoke strongly in support of the use of a design competition to ensure that a design was built to accommodate the extensive facility mix proposed and considered this to be beneficial to the process. In response, the Corporate Director (Service Delivery) confirmed that the content for the Leisure Centre had already been established and that it was not proposed to have a design contest as part of the procurement process to be followed. However, the process would include the procurement of suitable professional consultants (including architects), probably by the use of a 'mini competition' under a framework agreement. The selected consultants would then work with the community to prepare a suitable design.

(iv) Resource Implications

The Corporate Director (Service Delivery) reported that there were currently no significant changes as result of the Brexit decision. In response to a question from Councillor Hiscock, he indicated that it was expected that a joint venture company would be formed between the Council and the University of Winchester, as the main third party funder, and the new building would then be leased to the Joint venture, to provide appropriate governance arrangements for the operation of the new facility.

In response to questions regarding reducing the risk to the Council by decreasing the £770k supplementary estimate, it was noted that this figure was required in order to progress with the project. This would include the working up of the design and the approach and the costs involved with having a professional team in place, which were considered imperative to get the project moving.

During debate, the Committee agreed to draw to the attention of Council that the aim of the provision of a leisure facility was to meet the needs of the residents of the Winchester District as a whole. Several Members expressed concern regarding the level of costs of the project (as now proposed with a larger pool), the higher risks associated with it, and the possible smaller return. Overall, however, the majority of Members fully supported the decision of Cabinet and considered the facility to be extremely positive for the future of the City. Members had in front of them the advice from the Council's consultants regarding the

additional usage and operational cost of the 50m pool but considered that a 50m pool would attract higher usage than the 25m swimming pool facility. A Member indicated that he considered the consultant's advice pessimistic and that he considered higher income would be achieved. The Committee noted that higher charges might be needed to contain the operating cost but was keen to see a moderate charge set for swimming to ensure that the pool facility was affordable and an attractive leisure option for its regular users and families in particular.

The Committee discussed financial and risk projections, land availability and play area space and wished to look further at the detail of these matters going forward.

In conclusion, the Committee noted that a Group would be formed to understand and oversee the process going forward, in order that feedback could be provided and explained to residents. The Chairman thanked the public in attendance for their time and participation.

The Committee then resolved to move into exempt session at the end of the meetings open session to consider the aspects of the financial details of Tesco's responses in relation to the offers made by the City Council for the purchase of the Garrison Ground.

**RECOMMENDED:**

**THAT THE RECOMMENDATIONS OF CABINET MADE AT ITS MEETING HELD 6 JULY 2016 BE SUPPORTED AND THAT THE COMMITTEE DRAW TO THE ATTENTION OF COUNCIL ITS COMMENTS, AS OUTLINED ABOVE.**

**6. CAPITAL EXPENDITURE OUTTURN 2015/16**  
(Report CAB2811 refers)

Councillor Godfrey introduced the Report which provided an overview of the actual (outturn) capital expenditure for the financial year 2015/16 and the associated financing, compared with the Revised Capital Budget and Members' questions were answered thereon.

The Committee's attention was drawn to the projects that had been successfully completed in 2015/16, including New Build and Major Repairs (HRA) and the Carfax Land Purchase. In addition, Councillor Godfrey reported that he supported the list of carry forwards recommended for approval by Council at its meeting on 20 July 2016 and the impact on the proposed carry forward budgets for 2016/17, as set out in Appendices A and D to the Report respectively.

In response to questions regarding profiling and the common factors behind budget slippage, the Head of Finance reported that timing and delivery would vary and that there would be times when this would occur, often as a result of the progression of projects. However, it was noted that project progression would be monitored and reported further within the Capital Strategy in September.

**RECOMMENDED:**

**THAT THE REPORT BE NOTED AND NO MATTERS BE DRAWN TO THE ATTENTION OF COUNCIL.**

**7. GENERAL FUND OUTTURN 2015/16**

(Report CAB2812 refers)

Councillor Godfrey introduced the report which provided an overview of the Council's General Fund Revenue outturn compared with the budget for the year 2015/16 and explained the main variances, the movements on earmarked reserves and Members' questions were answered thereon.

He commended the careful management by officers resulting in favourable improvements to the General Fund despite a difficult year financially with many fluctuations, mainly as a result of the Business Rates and Appeals process carried out by the Valuation Office, which had resulted in changes to the Revenue Fund. However, Councillor Godfrey acknowledged that there had been an increase in income from other areas, such as a continued increase to car parking income (despite no rise in parking charges), vacancy management and the flexible use of staff resources.

The Head of Finance confirmed that the Report demonstrated that the Council was in a good financial position and was able to maintain the medium term financial situation to cope with future changes. The Head of Finance clarified that the figures regarding Impairment and Revaluation losses had increased during 2015/16 (and not Depreciation) due to a full revaluation of Council assets being undertaken.

In response to questions on the business rates aspects, the Head of Finance confirmed that the Council was keeping pace with the appeals process and that the Department for Communities and Local Government (DCLG) had released a new process which would enable the Council to filter appeals quicker and would result in a significant beneficial impact on how appeals are processed in future.

During debate, the Committee requested further information regarding the miscellaneous figures as set out in the Report. Furthermore, Members sought a breakdown of the Council's finances in the short term prior to these figures being embedded as part of the standard reporting process. In conclusion, the

Committee raised some concerns regarding the risk to Council property fluctuations as a result of Brexit.

**RECOMMENDED:**

**THAT THE REPORT BE NOTED AND NO ITEMS BE DRAWN TO THE ATTENTION OF COUNCIL.**

RESOLVED:

That the Head of Finance provide Members with the necessary information, as set out above, in due course.

8. **PORTFOLIO PLANS OUTTURN 2015/16**  
(Report OS151 refers)

Cabinet noted that the Report had not been notified for inclusion on the agenda within the statutory deadline. The Chairman agreed to accept the item onto the agenda as a matter requiring urgent consideration by The Overview and Scrutiny Committee.

Councillors Godfrey, Horrill and Pearson addressed the Committee to introduce their respective Portfolio Plan outturn reports for 2015/16 and each answered Members questions thereon.

The Committee considered the report as part of its role in holding Portfolio Holders to account and also in monitoring the progress that the Council was making towards the outcomes of the Winchester District Community Strategy and the projects included in individual Portfolio Plans. The report also formed part of the regular performance and financial monitoring processes designed to check progress in delivering the Portfolio Plans and performance against identified indicators.

Members sought clarification on the provision of housing to meet community need and progress with the delivery of the Major Development Areas in the District. In response, Councillor Godfrey reported the Council had a positive five year land supply and notified the Committee on the progress of the developments at Barton Farm where building of houses had commenced; and North Whiteley where planning permission would be issued next month, upon completion of the s106 agreement. He confirmed both would deliver significant housing provision for the District. For future reference Members requested Key Performance Indicator reporting for Housing Delivery and Affordable Housing proportions.

In response to questions regarding Environment, Health and Wellbeing, Councillor Pearson provided an update on air quality monitoring following the meetings of the Air Quality Steering Group and provided details on the recording of instances of Fly Tipping with the implementation of an accurate recording database, including the use of GIS maps.

Councillor Horrill provided an update on Housing Services and stated that, following the first Tenant Conference in Autumn last year, discussions were taking place with TACT who had since reviewed and adopted their constitution, with a view to establishing a broader tenant representation going forward and to research other methods of reaching tenants (ie, digitally). The Assistant Director (Chief Housing Officer) informed the Committee that a survey of all tenants would be undertaken to seek willing participants and attention would be given to the analysis of these results.

**RESOLVED:**

That the performance information, contained within the Report, be noted.

**9. RISK MANAGEMENT POLICY 2016**  
(Report AUD156 refers)

Councillor Godfrey explained that the Council's Risk Management Policy 2016 was a key feature of the Council's Governance and Performance Management arrangements. This also included the Council's Risk Appetite Statement and the updated Corporate Risk Register, reflecting significant risks which may impact on the achievements of strategic objectives.

The Committee noted that the Report had previously been considered at Audit Committee on 28 June 2016, and at Cabinet at its meeting on 6 July 2016.

During discussion, Members emphasised the importance of a good understanding of risk for all Councillors and officers. The Head of Policy and Projects advised that the Policy had been updated for 2016 in consultation following a workshop and training session held with Members regarding the Council's approach to risk management.

Members made reference to the benefit of viewing the specific amendments made to the Policy and requested that changes be highlighted within the report in future.

In response to queries regarding specific changes following the Claer Lloyd-Jones report and additional risk, the Head of Policy and Projects reported that Risk Management was overseen by the Audit Committee and that Cabinet (Major

Projects) Committee also reviewed the programme of risk and operational risk on a regular basis.

**RESOLVED:**

That the Risk Management Policy 2016 and Corporate Register be received and noted.

10. **HOUSING REVENUE ACCOUNT 2015/16 OUTTURN**

(Report CAB2808(HSG) refers)

Councillor Horrill stated that the Report had been considered by Cabinet (Housing) Committee at its meeting on 29 June 2016 and by Cabinet at its meeting held on 6 July 2016, both of which had supported the recommendations.

Councillor Horrill introduced the Report and highlighted the hard work undertaken by the Housing Management Team to keep budgets and works on track.

The Assistant Director (Chief Housing Officer) reported that none of the carry forwards had resulted from unpaid invoices. The main carry forward had occurred due to delays in the Westman Road new homes scheme. However, that scheme had now been completed.

In response to questions, it was noted that TACT had been attendance at both meetings of Cabinet (Housing) Committee and Cabinet and had commented positively on the Report and been supportive of the actions taken.

Following the request of the Committee, the Assistant Director (Chief Housing Officer) advised he would provide details of actual unit numbers for each housing scheme, including Right to Buy information.

In conclusion, the Committee thanked the Housing Team and congratulated them in the work carried out at Westman Road.

**RECOMMENDED:**

**THAT THE REPORT BE NOTED AND NO ITEMS BE DRAWN TO THE ATTENTION OF COUNCIL**

11. **SCRUTINY WORK PROGRAMME AND AUGUST 2016 FORWARD PLAN**

(Report OS146 refers)

The Chairman reported that a meeting of the six appointed Informal Scrutiny Group (ISG) leads had taken place prior to the meeting, where the formation of a Housing Delivery/Impact of the Housing Bill ISG had been proposed to help keep all Members apprised of the situation. In addition, the following items had been raised for inclusion on the Work Programme:

- (a) Transport Planning (Members requested that they receive a report by HCC or that they attend the meeting); and
- (b) Flood Management – to receive an update on the ISG Report

RESOLVED:

1. That the following Informal Scrutiny Group (ISG) be established and appointments be made to the ISG:
  - (i) Housing Delivery/Impact of the Housing Bill ISG: Councillor Hiscock.
2. That the Scrutiny Work Programme be noted, subject to the inclusion of the additional items, as set out in (a) and (b) above; and
3. That the Forward Plan for August 2016, be noted.

12. **EXEMPT BUSINESS**

RESOLVED:

1. That in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
2. That the public be excluded from the meeting during the consideration of the following items of business because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

<u>Minute Number</u>	<u>Item</u>	<u>Description of Exempt Information</u>
----------------------	-------------	--

##	Leisure Centre	)	3 & 5
	Replacement Project	)	
	(Exempt Debate)	)	

13. **LEISURE CENTRE REPLACEMENT PROJECT (EXEMPT DEBATE)**  
(Report CAB2820 refers)

The Committee considered the financial aspects of the offers made by the City Council to Tesco in relation to the purchase of the Garrison Ground and the details of the outcomes of those offers.

RESOLVED:

That the aspects of the exempt debate be noted.

The meeting commenced at 6.30pm and concluded at 10.50pm.

Chairman