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MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Economy and Development Select Committee held at The Council Chamber, County Hall, Rhadyr, Usk, Monmouthshire, NP15 1GA on Thursday, 27th September, 2018 at 10.00 am

PRESENT: County Councillor P. Pavia (Chairman)
County Councillor A. Davies (Vice Chairman)

County Councillors: D. Dovey, M. Feakins and B. Strong

Also in attendance County Councillor(s): S. Jones (Cabinet Member) and V. Smith (observing)

OFFICERS IN ATTENDANCE:

Frances Williams	Chief Officer, Enterprise
Cath Fallon	Head of Economy and Enterprise
Matthew Lewis	Countryside Manager
Richard Simpkins	Business Manager - Tourism Leisure and Culture
Ian Saunders	Head of Tourism, Leisure, Culture and Youth
Marie Bartlett	Finance Manager
Mark Howcroft	Assistant Head of Finance
Paula Harris	Acting Scrutiny Officer
Richard Williams	Democratic Services Officer

APOLOGIES:

County Councillor R. Roden

1. Welcome

We welcomed Frances Williams, Chief Officer for Enterprise, to her first Economy and Development Select Committee meeting.

2. Declarations of Interest

County Councillor M. Feakins declared a personal, non-prejudicial interest pursuant to the Members Code of Conduct in respect of Agenda item 5 – Performance and Evaluation Framework for MonLife, as he sits on the shadow board of MonLife.

3. Public Open Forum

There were no members of the public present.

4. Superfast Cymru 2 Broadband Procurement and Future Plans

The Select Committee was scheduled to receive a presentation by Welsh Government officials regarding the Superfast Cymru 2 broadband procurement and future plans. However, Welsh Government staff were unavailable to attend the meeting today.

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It was noted that the Superfast Cymru 2 broadband contract was due to be announced some weeks ago but has yet to be announced. Therefore, it is still in the procurement stage and Welsh Government is not in a position to share the next steps.

However, the Welsh Government Minister, Julie James, was invited to an event in Llandewi Rhydderch last week. At this event Monmouthshire County Council had been informed that the Superfast Cymru broadband 1 roll out had achieved its targets. However, they are in a position now where they have 'stranded assets'. There is extra funding in the sum of £80 million released for Superfast Cymru broadband 2. These are the harder to reach properties and will not be a fast roll out in the second phase. The Minister was encouraging communities that were at the point of connection to look at a local community solution. The Authority is keen to hear from communities that are a 'stranded asset' to see how we can work with them individually.

The Cabinet Member with responsibility for Social Justice & Community Development expressed her disappointment that the Welsh Government representatives were unable to attend today's meeting.

The Select Committee also expressed its disappointment regarding the lack of attendance from Welsh Government.

We resolved that the Chair of the Select Committee writes to Welsh Government setting out the reasons why the Select Committee finds it unacceptable and ask that the Welsh Government representatives come back to a future meeting of the Select Committee to provide an update on the Superfast Cymru 2 broadband contract.

5. Performance and Evaluation Framework for MonLife

Context:

To scrutinise the draft Performance and Evaluation Framework that will underpin a business management framework for the new delivery model MonLife.

Key Issues:

To establish an integrated business planning, monitoring and evaluation framework across all of MonLife group's activities to measure performance, evidence impact and drive continuous improvement, i.e., one shared framework embracing MonLife (the charity), MonLife Plus (the Local Authority Trading Company) and the associated trading subsidiaries.

The performance framework will develop over time as MonLife establishes and progresses new programmes for delivery. Initially, the framework will reflect MonLife's initial business plans and programmes, and consolidate the key performance indicators / business matrices already in place across Tourism, Leisure, Culture and Youth Services (TLCY).

Diagram 1 in the report illustrates the proposed framework, which will be developed with the shadow board and directors prior to enactment. Central to the process will be the

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MonLife group Business Plan that will reflect the contribution that MonLife is making to delivery of the Public Service Board (PSB) Wellbeing Plan, the Council's Corporate Plan and the wider legislative and policy context within which the group operates (this plan will be an aggregation of the MonLife & MonLife Plus business plans). Supporting the Business Plan will be annual SMART action plans for MonLife's teams and key delivery programmes (updated quarterly), and clear branding and marketing strategy and plans.

Member Scrutiny:

- It is important to understand how the relationship is going to work between the Authority and the Alternative Delivery Model (ADM) and how the Select Committee and Cabinet have transparency over the operation and performance of the ADM. A Member workshop would be beneficial to set out how the governance arrangements are going to work before final decisions are made.
- In response to a Select Committee Member's question, performance of Monmouth Leisure Centre has been undertaken regarding financial aspects and visitor numbers. Membership growth has been significant. 700 members has grown to around 1000. Financial aspects are being monitored to ensure targets are being met. The re-designed model has had a significant impact. For services to remain sustainable this type of investment would be welcomed across all of Monmouthshire's leisure centres.
- A consistent approach is being undertaken across all services. Work undertaken over the previous three years has been about trying to introduce new ways of working and looking at the targets. Going forward, targets will continue to be set. The opportunity is there to understand our markets and look more closely at our data to understand the usage of these services and businesses and who is using them.
- In response to a Select Committee Member's question regarding Chepstow Leisure Centre, it was noted that the Authority has a duty to its customers that the quality of provision across Monmouthshire is adhered to. Officers have spoken to the staff and were provided with ideas of how the leisure centre could be modernised with quite limited investment. Caldicot and Chepstow leisure centres are in a similar condition and significant investment is required in the two sites to maintain quality provision.
- There is considerable drift of leisure centre use from across the border into Chepstow. Services in the Forest of Dean are being rationalised. There is contact with schools across the border that wish to use the swimming pool at Chepstow Leisure Centre. The offer in Chepstow is currently above average and holding a good retention rate. However, investment in both sites within the south of the County is required. Marketing of these sites could also be improved.
- With regard to baseline measurements for community wellbeing, there is ongoing work being undertaken. The data is within the local Authority and partners and is

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held in different areas. A workshop is being held on 30th September 2018 to identify availability of data with a view to collating this information.

- The Public Services Board (PSB) has been looking at the Gwent Futures data whereby health and wellbeing information is being gathered. This information is being launched in November 2018. The role that the Alternative Delivery Model (ADM) will play in contributing towards those indicators and how that contribution is monitored will need to be considered also.
- Tests have been carried out with Natural Resources Wales (NRW) regarding its Health Impact Toolkit, which has helped develop the second stage of the project. In terms of the Museum Service, officers have undertaken work around the Happy Museum Initiative. This is at the heart of developing an outcome measurement framework.
- Freedom of information requests will apply to both the teckel company and the charity. In the contractual documentation, details of how the Council will manage the process with the company and both parts of MonLife and MonLife Plus will be identified.
- Capture the details of the large numbers of staff who volunteer their services outside of working hours and add this information to the framework.
- It is key that a plan is created that links in with all partners with a view to tapping into various skill sets across the board.
- A small amount of funding, secured for this financial year, has been secured from Aneurin Bevan Health Board to pilot some work around physical activity and undertake a pilot of the potential wider dementia project.

Committee's Conclusion:

- We focussed on the relationship that is going to work between the Authority and the Alternative Delivery Model (ADM) and how the Select Committee and Cabinet have transparency over the operation and performance of the ADM.
- Future investment is key. Focussing on the Chepstow area given the timescales for the school's capital development going into the next decade.
- In terms of targets, there is a need to focus on critical Key Performance Indicators (KPIs).
- Impact and outcomes on communities focussing on the living landscape and the benefits of this to residents.

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- Best practice examples have been looked at in England and both in the charitable sector and elsewhere.
- Partnerships and data sharing - there are a number of partners that the Authority is working with, with a view to capitalising on the data that is being held to ensure that we have a strong baseline.
- There is still work to be done. The Select Committee is taking the lead in terms of the scrutiny function.
- The November 2018 Select Committee meeting will focus on the ADM.
- Develop a workshop to include all Members with a view to taking forward the ADM before this matter is scrutinised at the November 2018 Select Committee meeting.

6. Revenue and Capital Monitoring 2018/19 Outturn Statement

Context:

To receive information on the revenue and capital outturn position of the Authority at the end of reporting period 1 which represents the financial outturn position for the 2018/19 financial year based on May inclusive activities.

Recommendations proposed to Cabinet:

- That Members consider a net revenue forecast of £471,000 overspend.
- Members consider a capital outturn spend of £35.7m, which accords with budget provision for the year, after proposed slippage of £75,000. This describes a breakeven position not uncommon for this early in the year, although there is a potential for additional 21st Century schools costs in respect of additional asbestos removal and treatment costs not anticipated, which could be the order of £350,000.
- Consider the use of reserves proposed in para 3.8.1 of the report.
- Members note that the low level of earmarked reserves will notably reduce the flexibility the Council has in meeting the challenges of scarce resources, going forward.
- Members note the extent of movements in individual budgeted draws on school balances, and acknowledge a reported net forecast deficit of £622,000 resulting, and support the amendments to Monmouthshire County Council's Fairer Funding Regulations, as described in para 3.8.13 of the report, for onward engagement with schools forum and governing bodies.

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Member Scrutiny:

- In response to a Select Committee Member's question regarding risks to the Council in respect of capital receipts, it was noted that the risk lies predominantly around the future schools capital programme. From a cost of £40 million, £30 million will be paid for via capital receipts and £10 million paid for via borrowing. At the time of this decision being made, the Authority would not have had £30 million receipts in the bank. However, the nature of capital receipts is that they can be progressed over a prolonged period. The risk to the Council is felt in the way of interest payments in terms of temporary borrowing that is required to offset that. The vast majority of the capital receipts have been received.
- It is critical that the Authority continues to move forward at pace with regard to the review of its procurement procedures.
- The Select Committee will receive an update report in November 2018 regarding the Alternative Delivery Model containing details of all final documents appertaining to the enactment of MonLife and MonLife Plus.
- In response to a Select Committee Member's question regarding County Council input with regard to financial matters of MonLife, it was noted that it will depend on how the organisation crafts its management agreement with MonLife. We are not yet at this stage of the process to identify the operational activities. The Authority will continue to have a role in MonLife in its capacity as a subsidiary part of the Council. Under a service level agreement, it is likely that a County Council accountant will be moved across to MonLife via the TUPE process.
- Teckel company accounts need to be reported to the Authority.
- With regard to MonLife, the accounting will be monitored and managed by the Board and the Board of Trustees. However, there will be requirements for this to be reported within the Council arrangements on an annual basis. These could also be reported on a quarterly or six monthly basis, if required.
- We will need to understand the relationship between the Authority and the charity, i.e., value for money, and are the objectives that have been established being delivered and can this be clearly monitored.
- A workshop is required to aid Members in understanding the processes required in establishing the Alternative Delivery Model and to provide clarity, going forward.

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Committee's Conclusion:

- To support the recommendations proposed to Cabinet.
- That the need for the Alternative Delivery Model workshop is critical.

7. To confirm the following minutes:

7.1. Special Meeting of Economy and Development Select Committee dated 13th July 2018

The minutes of the special meeting of the Economy and Development Select Committee dated 13th July 2018 were confirmed and signed by the Chair.

7.2. Economy and Development Select Committee dated 19th July 2018

The minutes of the ordinary meeting of the Economy and Development Select Committee dated 19th July 2018 were confirmed and signed by the Chair.

8. Economy and Development Select Committee Forward Work Programme

We received the Economy and Development Select Committee Forward Work Programme. In doing so, the following points were noted:

- The Chair will write to Welsh Government regarding Superfast Cymru 2 Broadband Procurement following the deferment of consideration of this item due to Welsh Government being unable to attend today's meeting. An invitation will be extended to Welsh Government to attend a future meeting of the Select Committee.
- A special meeting of the Economy and Development Select Committee will be held on 19th October 2018 at 10.00am.
- Items to be confirmed for a future meeting of the Select Committee are Run for Wales to provide an update regarding the Velothon. Also, the Cross Border issues workshop with the Forest of Dean Council.
- Scrutiny of all final documents appertaining to the enactment of MonLife and MonLife Plus will be presented to the Select Committee on 22nd November 2018. A workshop will be held to confirm governance and management arrangements. This will be held before the Select Committee meeting on the 22nd November 2018. All Members will be encouraged to attend the workshop.
- The Chair and Vice Chair of the Economy and Development Select Committee will be meeting with the Chief Officer for Resources to discuss the procurement work, as this matter needs to be concluded as quickly as possible.

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- Draft budget proposals for 2019/20 will be presented to the Select Committee in November / December 2018 via a special meeting.
- City Deal Joint Select Scrutiny - 15th October 2018 at 12.30pm. The Chair and Vice Chair of the Economy and Development Select Committee are the County Council's representatives sitting on this Committee.
- For the New Year, scrutiny of ICT in Schools will be undertaken as a Joint Select Committee meeting with Children and Young People Select Committee.
- Business development and bringing new businesses into Monmouthshire will be added to the Work Programme.

9. Council and Cabinet Business Forward Work Programme

We received the Council and Cabinet Business Forward Plan.

10. Next Meeting

- Special Meeting - Economy and Development Select Committee dated 19th October 2018 at 10.00am.
- Ordinary Meeting - Economy and Development Select Committee dated 22nd November 2018 at 10.00am.

The meeting ended at 11.55 am.