

**Minutes of the Economy and Development Select Committee
held at County Hall, Usk
on Thursday 9th January 2014 at 10.00 am**

PRESENT: County Councillor J.L. Prosser (Chairman)

County Councillors: D.L.S Dovey, D.L. Edwards, R.J.C. Hayward and S. White.

County Councillors R. Greenland and P. Watts

OFFICERS IN ATTENDANCE:

Mrs K. Beirne	- Chief Officer, Regeneration and Culture
Mr R. Hoggins	- Head of Infrastructure, Networks and Sustainability
Mrs J. Robson	- Head of Finance
Mr M. Howcroft	- Assistant Head of Finance
Miss H. Ilett	- Scrutiny Manager
Mrs S. King	- Democratic Services Officer

ALSO IN ATTENDANCE:

Sir T. Morris - Chair St. Mary's Trust The Tithe Barn Abergavenny

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from County Councillors G. Down, D. Evans. S. Jones, P. Jordan and K. Williams.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. CONFIRMATION OF MINUTES

We received the minutes of the Economy and Development Select Committee as follows:

- i) The minutes of the Economy and Development Select Committee held on 24th October 2013 were confirmed as an accurate record and signed by the Chairman.

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- ii) The minutes of the Special Economy and Development Select Committee held on 7th November 2013 were confirmed as an accurate record and signed by the Chairman.
- iii) The minutes of the Special Economy and Development Select Committee held on 20th November 2013 were confirmed as an accurate record and signed by the Chairman.
- iv) The minutes of the Special Economy and Development Select Committee held on 27th November 2013 were confirmed as an accurate record and signed by the Chairman.
- v) The minutes of the Special Economy and Development Select Committee held on 12th December 2013 were confirmed as an accurate record and signed by the Chairman.

4. PUBLIC OPEN FORUM

We welcomed Sir Trevor Morris and noted the following:

- Thanks were provided to the Chairman and committee for the opportunity to present to the committee.
- Involved in Abergavenny and Bryn y Cwm areas and Chairman of St Marys Priory Development Trust. St Marys trust houses fine collection and the Tithe barn project houses the tapestry.
- Rely heavily on tourist info centre and grateful to Monmouthshire County Council for number of visitors.
- Understand difficulties experienced by Monmouthshire County Council, through the businesses cases.
- Recognise significant importance of Tourist Information Centres, which should be in the centre of towns and easily accessible.
- Requirement to source alternative venues for Tourist Information Centres and offer provision of accommodation within the Tithe Barn.

The committee were invited to ask questions and during discussion the following points were noted:

- The Chairman advised that the issue would be discussed in detail within the agenda and the Cabinet Member and officers would be able to address issues raised.
- The Cabinet Member advised that the aim was to find an alternative venue for Tourist Information Centres, by working with communities and he welcomed discussions with Sir Morris.
- Consideration would have to be given whether budget savings would be achieved through alternative venue proposals.
- The Committee thanked Sir Morris for attending and invited him to stay for the duration of the meeting.

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5. REPORTS FROM HEAD OF FINANCE

i) Budget Proposals 2014/15 to 2017/18

We received a report, for scrutiny and comment, which provided detailed proposals on the budget savings required to meet the gap between available resources and need to spend in 2014/15, for consultation purposes and the committee were invited to consider the 2014/15 budget within the context of the 4 year Medium Term Financial Plan.

Members were advised that all mandates were listed, however, only those relevant to the Economy and Development would be discussed. The mandates had been discussed in full at five meetings and officers would advise on any changes.

The Head of Finance clarified that the recommendation required the committee to scrutinise proposals, which have been released for public consultation purpose and would be considered by Cabinet in February. The background detail identified what changes had been made, the process so far and what has been factored in.

The Medium Term Financial Plan (MTFP) provides links between budget proposals and priorities of councils and how they link with whole authority risk assessment. The report included savings targets, which started at the end of 2013 with mandates as ideas, these are now budget proposals. Additional pressures highlighted any changes to pressures and the Council Tax paragraph states that the increase has been retained, however, a gap of £2.9 million is to be found over the next four years. Additional budget savings would reduce the gap to £1 million.

During the discussion members were invited to ask questions and the following points were noted:

- A member expressed disappointment that the process started in September/October 2013 with a gap of £2.2 million, however, after ideas had been submitted there could still be a gap of £1 million. The Cabinet Member clarified that at the start of the process there was a £9 million gap and there was now approximately £1 million gap. Further consultation would be undertaken with the public to discuss proposals for further saving ideas. There would be a requirement to close the gap by 27th February 2014.
- The Cabinet Member advised that the level of Council Tax would be considered further, through public consultation.
- The committee recognised the importance of highlighting the Council Tax percentage increase in actual financial figures. It was clarified that the presentation would include the actual figure for 3%, 4% and 5% increase for each band per year.
- Members were surprised that a further increase in Council Tax had been considered. We were advised that 3% had been used as a working figure.

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We welcomed the Chief Officer, Regeneration and Culture and the committee were presented with an outline of the mandates, considered at previous meetings. It was highlighted that the mandates related to income generation and expanding positive aspects. There was no proposal of closure/cessation of services, they related to growth, in line with existing offer

Development of Leisure Services

- 35k additional income – swimming, no major changes
Members highlighted risks and threats, that's been highlighted throughout.
- £30k – new memberships, new marketing, different areas for sales, retention of clients.
- £40k – junior fitness offer
- £5k – training academy, entry level opportunities afforded to young people
- £40k – efficiencies on staffing and training. Discussions held re. cleaning.
- Efficiencies around ICT

Further information would be provided in relation to the position of staff undertaking cleaning.

Museums, Shire Hall and Castles and Tourism

- Integrating Tourist Information Centres.
- Caldicot Castle- new approach to events
- New models for Shire Hall and Tintern Station.

Museums

- This mandate had resulted in significant debate and required further consideration and the committee had felt they could not agree proposals.
- It was not intended to close facilities and officers agreed to consult with Town/Community councils and other agencies to develop service.
- Work was still on-going and it was anticipated that fully worked solutions would be presented to the committee.
- Discussions were still on-going for models and ideas.

Questions:

- The committee were surprised to see that the proposal for relocating Tourism Information Centres to Museums was still contained within the mandate.
- We were advised that at present there are no other firm proposals that will save money, need to go forward with least preferable option. Need proposals for best option, these must stay in there. Discussions on-going with Chepstow town council.

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- Members expressed disappointment, however, were advised that further potential solutions would be investigated.
- County Councillors A. Watts and S. White declared personal interests pursuant to the members code of conduct as Town Councillors.
- Discussions had been held with town councils.
- The tourism officer would contact Sir Morris in relation to the offer.

In summing up we noted that the committee do not accept 'they will be merged' and it should be removed. In terms of the way forward, on-going discussions and developments, officers would return to select with final version of proposals. Little change had been presented from original document. Comments from previous meetings were repeated, and officers were invited to present proposals as new opportunities emerged.

We clarified that the other mandates were satisfactory, however, there was strong disagreement with Chepstow and Abergavenny being merged, will not accept as committee.

Caldicot Castle

- Getting it back on a sustainable footing.
- Need significant capital investment in castle, investment needs are so large.
- Proposal unchanged, more about sustainable operating structure, remodelling and less on back office stuff.
- Core visitor facilities, driving business growth and working parties to discuss ownership options – community ownership discussed.
- More commercial marketing and what is done in relation to significant investment.

Shire Hall

- Similar to Caldicot Castle, improving business process efficiency and becoming more commercial.
- Need to ensure we get away from offsetting costs.
- Proposals are unchanged.
- Discussions last time was to leave museum.
- Difficulty in keeping Tourist Information Centre desk open.
- Need to be more business like and maximise opportunities for events.

Old Station Tintern

- Not about cessation of services, it relates to sustainability in the longer term.
- Efficiencies in running in conjunction with Caldicot Castle.
- Attracting more income and generating income.

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- Costs £60k per annum, need to ask if it was commercial entity would that loss be accepted.

Transport Review and Fleet Rationalisation

- Questions raised on private hire and discussed income in broader commercial opportunities. Maximising fleet is interwoven with Children and Young People, home to school transport. Freeing up fleet could release for income generating opportunity.

Questions

- Concerns were expressed regarding the capital expenditure for new depots and buses. Big capital investment tied up and committee recognised it represents significant risk to council – need to highlight that it's high risk strategy.
- We were advised that staff had visited depots and findings would be presented in due course.

Amalgamation of car park charging

- Work was currently being undertaken.
- Discussions would be held with Town Councils.

Property Services and Procurement

- Related to staffing efficiency and ensuring right business process. Concerns were highlighted regarding risks on building and assets. Procurement cards being picked up centrally by finance, will not be considered under this particular mandate.

Questions

- A member highlighted that property would be the responsibility of the Accommodation Board.
- Further details were requested regarding the position of the board, responsibilities and membership set up by full Council.
- We were advised that there was an officer led accommodation working group, which included the cabinet member.

Strategic Property Review (phase 2)

- Strategic management of property portfolio, moving staff into single building and out of innovation house, maximising assets and concessionary rental grants.

Questions

- Some members had reservations regarding the potential income that would be generated from Innovation House.
- It was noted that the saving amount had reduced to £75k.

Regeneration and Culture Staffing Restructures

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- Officers were conscious that the proposal had not been developed and not been to committee previously. The Chief Executive had proposed changes to Senior Leadership Team and the structure would supersede any changes to the Regeneration and Culture directorate.

ICT

- Mainly related to SRS, significant level of saving proposed around staffing structures, rental savings, value for money on Microsoft enterprise contracts. Increasing income through CCTV. Much more efficient and effective approach to business provision.

Questions

- Further clarification would be provided regarding the definition of charging for CCTV services.
- As the committee had not previously considered the mandate, the committee were unclear as to how the £300k savings were to be achieved and agreed that the Manager would be requested to provide a breakdown and explanation of these savings at the next meeting.

ii) **Capital Budget Proposals 2014/15 to 2017/18**

We received a report which outlined the proposed capital budget for 2014/15 and the indicative capital budgets for the three years 2015/16 to 2017/18.

Areas that had been updated were highlighted along with issues that may present an underlying problem. Pressures and risks were also identified.

Members were invited to ask questions and comment, during discussion the following points were noted:

- One member expressed serious concerns regarding the level of slippage and disposal of assets, particularly the old County Hall site. We were advised that we were awaiting further information regarding the sale of the site.
- It was anticipated that the business plan for the cycle track would be included by the end of January.
- Legal documentation was being finalised in relation to income from Abergavenny Market.
- Discussions were held regarding earmarked budget for 21st Century Schools and we were advised that the Welsh Government had confirmed that 21st Century monies were secure. Bids for funding would continue to be submitted.
- Further discussions were on-going in relation to developments within Abergavenny, such as a new library.

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We resolved to receive the report.

iii) Capital Programme 2013/14 Month 5 Forecast Outturn Statement

We received a report which provided the forecast outturn position for the current year's capital programme compared to the budget for the year for schemes relating to this committee.

In presentation of the report, we noted the following:

- The committee would receive the Month 8 report at end of January, which would supersede Month 5 report.
- Provisional slippage £110,000 forecast into 2014/15 relating to Rural Development Plan (RDP) schemes. However, significantly reduced from previous years.
- Most schemes coming in on budget, RDP slipping and overspend on Abergavenny Cattle Market.

We resolved to note the report.

iv) Revenue Budget Forecast Statement 2013/14 Month 6

We received a report which provided Select Committee Members with information on the revenue outturn position of the services relevant to this Select committee at the end of Quarter 2 for the 2013/14 financial year.

We were advised that areas within the report for scrutiny of budget monitoring were covered by the remit of the committee, which included Public Life and Culture; Planning, Place and Enterprise; and Management of Regeneration and Culture Directorate.

During discussion we noted the following points:

- Forecast overspend by £154,000 at month 6.
- Mandate for Caldicot will address castle shortcomings.
- Services required to provide £602,000 savings, of this £492,000 deemed deliverable, leaving £110,000 unachievable at month 6.
- Mitigated in other areas and therefore do not introduce a further net pressure.

We resolved to note the report.

6. WORK PROGRAMME

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i) Select Committee Work Programme 2013-14

We received the Economy and Development Work Programme and noted the following:

- Agreed that the Car Park report would be considered at a Special Economy and Development Select Committee. The meeting would be held on Thursday 20th February 2014 at 10.00am (pre-meeting 9.30am for committee members).
- Meeting 30th January 2014 – Capital Programme 2013/14 Month 8, Capital Receipts, Tourism and SRS savings.
- It was requested that an explanation of the Accommodation Board was provided at a future meeting.
- Meeting 13th March 2014 – Planning Framework, S106 agreement, BBNP and Welsh Water.
- Meeting 1st May 2014 – Reserved for review of years activities and progress.

The Chairman welcomed receipt of modified mandates at the earliest opportunity.

We agreed the work programme and noted changes.

ii) Cabinet Forward Work Planner

We received and noted the Cabinet Forward Work Planner.

Meeting ended 12.35pm