

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the Economy and Development Select Committee held at County Hall, Usk held on Tuesday 4th June 2015 at 10.00 a.m.

PRESENT: County Councillor S. Jones (Chair)

County Councillors: D. Dovey, D. Evans, R. Hayward, J. Prosser, S. White, and A. Wintle

County Councillor R.J.W. Greenland.

OFFICERS IN ATTENDANCE:

Mrs. N. Edwards	-	Strategic Food and Tourism Manager
Mr. M. Hand	-	Head of Planning
Mr. M. Howcroft	-	Assistant Head of Finance
Mrs. K. Beirne	-	Chief Officer, Enterprise
Ms. H. Ilett	-	Scrutiny Manager
Mrs. N. Perry	-	Democratic Services Officer

1. ELECTION OF CHAIRMAN

We noted the appointment of County Councillor S. Jones as Chairman.

2. APPOINTMENT OF VICE CHAIRMAN

We appointed County Councillor S. White as Vice-Chairman.

3. APOLOGIES FOR ABSENCE

Apologies for absence were received from County Councillors D.L Edwards.

4. DECLARATIONS OF INTEREST

There were no declarations of interests made by Members.

5. MINUTES

The Committee confirmed and signed the minutes of the following meetings of the Children and Young Peoples Select Committee held on:

- i. Special Meeting 30th March 2015.
- ii. Ordinary Meeting 21st April 2015.

The Committee commended Democratic Services on the new minute template which clearly summarises the committee's stance on each issue scrutinised.

6. ACTION LIST

The Committee noted the Action List.

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7. PUBLIC OPEN FORUM

There were no members of the public present.

8. REVENUE AND CAPITAL BUDGET MONITORING

Context:

Members received the report in order to receive information on the outturn position of the Authority for the 2014/15 financial year. The position was regarded as draft prior to external audit of Statement of Accounts.

The report also sought to provide summary information about the Council's reserve position as a consequence of year end movements and implications.

We were informed that Cabinet had approved the report the previous day.

Recommendations:

The Committee were required to consider the following recommendations:

- That Members consider the information contained within this report noting that the figures may be subject to adjustment through the external audit process.
- That Members consider the position concerning revenue monitoring outturn resulting in the favourable replenishment of Council Fund reserves by £31,000 compared to the budgeted draw of £296,000.
- That Members agree to the review of earmarked reserves resulting in the following adjustments:

Single status and Equal pay reserve - £1.052 million, redistributed to the following reserves:

- I. Fixed Assets disposal reserve - £257k
- II. Pension and Redundancy reserve - £600k
- III. Schools library reserve - £195k to extinguish a deficit balance

- That Members approve the redundancy payments identified in paragraph 3.1.6 included within the outturn figures
- Members consider the position concerning school balances and the implications on 2015-16 school budgets.
- Members note the progress concerning the delivery of the saving mandates in 2014/15 and seek further reports to identify alternate savings and virements proposed by Directors to replace original proposals to ensure further pressure on the 2015/16 budget is reduced.

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- That Members consider the position concerning outturn capital monitoring resulting in an overall underspend
- That Members approve the slippage schedule as identified in Appendix 2, building upon the recommendation at month 9 to review these at outturn.
- That Members approve the planned capital financing position as reported in para 3.7.
- That Members approve the use of the capital outturn underspend to fund the capital priorities identified in 3.5.6 and therefore obviate the need for 2015/16 capital budgets to be top sliced.

Member scrutiny:

- Members commended Officers on the clear, well presented report. A Member requested that where meetings include finance reports, a paper copy be provided in the Members' area. It was agreed that this would be raised with Democratic Services. **Action: H. Ilett**
- Members questioned the process of taking one earmarked reserve and splitting into 3 earmarked reserves. It was queried if the initial reserve should be wound up and put into a general reserve, where it could then be split into earmarked reserves. The Assistant Head of Finance explained that the effect would be the same. Pressures were recognised and it was considered entirely prudent to move the reserves under the circumstances. Concerns were raised that the relevant Select Committees should scrutinise the earmarked reserves. Members were advised that all Select Committees saw the same report that is taken to Cabinet.
- Members queried the significant savings within the directorate outlined in the report, which also details costs against the savings. It was thought that when the savings were forecast there should have been an indication of the costs that would be included. It was therefore felt that the report could be misleading. In response the Officer explained that the expectation was that, unless a specific use of reserve was sought by Cabinet, throughout the year the service would make compensatory savings to mitigate the effect on reserves by the end of the year.
- Members queried why the Committee were being asked to approve £432,000 redundancy costs. It was explained that Cabinet had approved the funding, and that redundancy costs associated with mandates were not a net figure but a gross saving.
- In order to clarify the Chief Officer for Enterprise explained that in terms of redundancy costs the figure relating to Enterprise was £59,000. As a directorate the emphasis was on income generation, where the majority of

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savings were able to be made. It was recognised that over £1.3 million worth of benefit had been derived by Enterprise over the past 12 months, which was 27% of the required figure across the whole Authority, and 97% of the target figure. It was noted that Tourism and Leisure, Estates, Housing and IT were significant areas of income generation.

- It was noted that the recommendations set out in the report were not relevant to the Economy and Development Select Committee, as these were actually the recommendations that had been approved by Cabinet. Members were therefore required to review the monitoring process of the ongoing finances in the report.
- Members queried the redundancy costs relating to Children and Young People. A breakdown of the redundancy figures by age was requested. **Action: M Howcroft.**
- The Assistant Head of Finance explained that the situation with school redundancies differed to the rest of the council. Any extra costs over the £300,000 budget would be the responsibility of the school, and therefore had no effect on reserves.
- Members raised concern regarding the increasing issues surrounding the leisure budgets. The Chief Officer explained that there was an ongoing review and engagement sessions had been undertaken in the locality. The area of tourism included attractions and therefore incorporated a wider budget. With regards to Caldicot Castle and Country Park sustained efforts had been made over 12 to 18 months to breathe new life into the area. There was continued increase in income and profit for Caldicot Castle but high targets were difficult to achieve. Findings from a Cultural Services Review would be reported back to Economy and Development Select Committee. **Action: I Saunders.**
- Members raised concerns regarding the amount of slippage in the capital programme. It was noted that the report made it clear that officers and Cabinet Members were concerned about the amount of slippage, however, the Committee further questioned the causes of slippage. Clarity was sought to whether it may be caused by difficulties in the planning processes, or contractors not performing as expected. Members were informed by the Assistant Head of Finance as each project is different, one reason could not be specified. It was recognised that the Authority often commenced projects in the autumn, which could mean they suffer weather implications. Members were advised that there could also be capacity issues. It was intended to change the culture of slippage and it was considered the position of slippage had improved from last year, and would be expected to improve going forward. In response, a Member questioned the slippages relating to 21st Century Schools and felt it was important to understand the reasons involved. The Committee was informed that in terms of 21st Century Schools there had been delays due to a multitude of reasons beyond our control. The Chief Officer confirmed that there were no planning issues to be made aware of. As well as external factors

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beyond our control, there were internal factors that could be managed in terms of acting as a client and a contractor. There may be issues in terms of property services regarding capacity and expertise. A business review of property services was due to be undertaken. The Head of Planning explained that should further information be required an update could be brought to Committee at a future meeting.

Committee's Conclusion:

Chair's Summary:

The Chair reminded the Committee that the report was for review purposes. The committee acknowledged that the following items had been addressed accordingly:

- Process of earmarking reserves
- Paper copies of the agenda to be reviewed by Democratic Services Committee
- Agenda to specifically reflect the scrutiny role and report to be clear in the recommendations for Select Committees.
- Breakdown of redundancy costs by age to be provided to Committee
- The Cultural Review be brought to a future meeting of the Economy and Development Select Committee for pre-decision scrutiny.
- Issues surrounding project slippages, particularly in relation to 21st Century Schools.

9. PLANNING AND DEVELOPMENT TOURISM DISCUSSION

Context:

Members received a presentation and background report in order to enable a discussion on the issues surrounding planning and development challenges. The Committee were asked to help with the issues surrounding the challenges. Recommendations from the work undertaken through Hotel Solutions were thought to include valid points to be looked into in further detail. The Committee received a presentation which was linked to the Welsh Partnership for Growth and Strategy for Wales, which detailed some of the problems and issues.

Member Scrutiny:

- It was agreed that the presentation contained useful information. Members questioned if there were qualitative feedback from events, for example, detail on our ability to house visitors during the cycling events. Members were

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informed that information from the Tourist Information Centres suggested that we struggle to meet demand and often need to refer visitors to accommodation outside the county.

- Members asked if there was a statistical comparative. Officers explained that the Council receives headline results from all Wales authorities. The information had not yet been received but would be communicated to Committee Members in due course.
- Members acknowledged that tourism is a key driver of the Monmouthshire economy and that there is a need for an increase in tourism and jobs, as opposed to placing preventative barriers in place. It was questioned what these barriers were, and reasons for them. Officers explained that in terms of glamping, the removal of the units adhered to planning conditions. This not only had an impact on the ability to provide bed spaces but also on the business to remain financially viable. The Head of Planning explained that the planning conditions complied with the Local Development Plan (LDP) policies, but that the policies could be reviewed at any time. There was no specific policy in place for glamping, as it is a relatively new area of tourism. It was requested that a list of the relevant LDP policies and the provisions for tourism development be brought to a future meeting. **(Action: M. Hand)**.
- The Chief Officer for Enterprise suggested that Members consider holding training sessions in relation to the planning issues. In terms of the barriers being faced it was acknowledged that there was a lack of serviced accommodation to keep visitors in Monmouthshire. It was noted that the approval of the Convention Centre being built at the Celtic Manor Resort would have a significant impact on Monmouthshire, and we should ensure that we are equipped and ready to respond to the increase in demand.
- There was suggestion that Monmouthshire lacked the one big attractor, and we need to consider what could be the unique offer to attract visitors.
- Members recognised that increasing tourism was a difficult area. It was felt that the Wye Valley brand should encourage tourism, but the hotel area should be developed. It was noted that Newport had many hotels in main road areas, and this could be an area of consideration for Monmouthshire. It was suggested that the LDP should allocate an area on the A449 for development of a hotel complex. The Head of Planning explained that the next LDP was due in 2021, but in the meantime there would be a 4 yearly review of the plan at which point the plan could be reviewed in part or whole. We could voluntarily amend the plan on a shorter timescale.
- A suggestion was made that the Authority could look into creating commercial developments as a source of income generation.
- Members raised concerns regarding a lack of signposting for accommodation. It was explained that there was a policy for tourism signage, and it was up to

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businesses to apply for signage, and provided requests were for signage on sites managed by the Authority, it could be decided in house. There could be high costs involved. Members heard that the Monmouthshire website provided information for visitors requiring directions for accommodation.

- Members queried if coach operators had been contacted in terms of arranging tours of the Wye Valley and Chepstow areas. It was suggested that Chepstow Coastal Trail could be considered a big attraction. It was also suggested to contact the rail group to discuss advertising and discounted fares.
- The Cabinet Member confirmed that businesses would open hotels in the area if there were commercial opportunities, such as the opening of the Convention Centre which could provide a huge opportunity. Members heard that a piece of land had been reserved at the Portal Road development site specifically for coach parking. It was noted that 174 hotels in the UK were run by Local Authorities, and that we had the expertise to create these opportunities through partnership-working.
- A Member referred to camping sites in Monmouth, which were well occupied and it was questioned why the sites could not remain open all year. It was requested that the issue was looked into further. The Chief Officer agreed and confirmed that it would be explored as to how our own land holdings could be used for camping. **Action: M. Hand.**
- Members felt it would be beneficial to readdress the issues detailed at the end of the presentation. We heard that identified issues with existing planning policies were:
 - No specific permissive hotel policy or SPG which articulates what the council would like to see and where.
 - No hotel retention policy.
 - Holiday parks, i.e. static caravans, not covered.
 - Holiday lodge parks not covered.
 - Luxury camping not specifically mentioned.
 - Camping pods or wooden tents not covered.
 - Warden accommodation not permitted.
 - No reference to provision of amenities.
 - PGL style residential activity centre not covered.
 - Small number of lodges associated with activities not covered if built off site.
 - Seasonal occupancy conditions can restrict commercial viability and the ability of owners to extend the season.
- It was agreed that the officers in Tourism and Planning would work closely on addressing the above issues. The Head of Planning confirmed that the existing policies would be compared against the summary list prior to providing an update to Committee. **Action: M. Hand.** Members suggested that the item be

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brought to Committee in September and requested that the update provides details on the progress made regarding the aforementioned issues.

- A Member questioned if Planning Department held discussions with National Resources Wales (NRW).
- The Strategic Food and Tourism Manager reassured Members that officers were working closely with coach tour operators and group travel organisers.
- A Member suggested that we should have an emphasis on advertising the attractions in the Hub towns and the benefits of visiting the attractions, to encourage visitors to stay for a weekend.
- A Member noted that there was an issue with coach parking in the Abergavenny area.
- Members questioned the advertising for coach operators. The Committee were informed that a publication was produced to target coach tour operators and travel agents. There was also specific website for South East Wales whose target was also the tour operators. A series of one to one meetings had been held with 30 travel agents and tour operators in Caerphilly Castle in March 2015, all of whom were very impressed with Monmouthshire.

Committee's Conclusion:

Chair's Summary:

- The Committee had discussed the quality of feedback and the fact that visitors were staying outside the county when visiting for events. The Committee were keen to see comparative data as an email update. **Action: N Edwards.**
- To increase tourism numbers, the barriers discussed at the meeting should be addressed in turn.
- The Cabinet Member had spoken about commercial opportunities and how they could be promoted. Members acknowledged there may be opportunities to allocate land in the LDP for hotel development.
- Tourism signage is an issue which could be addressed through the Councils' own signage policy.
- Members were encouraged to hear that we were proactive in promoting Monmouthshire as a destination to coach and tour operators.
- There is a need to address the issue of camping sites not being available all year round, and how sites could be improved to appeal to visitors off-peak.

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- There is a need to further promote Monmouthshire as a destination.

Actions Agreed:

- A review of the Local Development Plan and the provisions for tourism development to be brought to a Special Meeting.
- A report on an Investment Property Portfolio to be brought to the July meeting.
- A brief report summarising the existing policies that link to the barriers preventing tourism development.
- That officers commence undertaking action to address the barriers to tourism development discussed at today's meeting.

10. WORK PROGRAMMING

i) **SELECT COMMITTEE WORK PROGRAMME FOR 2015-2016**

Meeting 23rd July 2015

- Primary Shopping Frontages ~ Review of Supplementary Planning Guidance
- S106 Performance update
- Investment Property Portfolio ~ Pre-decision scrutiny
- Improvement Plan and Outcome Agreements

Special Meeting 29th July 2015

- Events Strategy ~ Pre-decision scrutiny
- Return on investment of cycling ~ Performance Update

Meeting 3rd September 2015

- Cultural Services Review ~ Pre-decision scrutiny
- Tourism and planning ~ Policy review
- Chief Officer Annual Performance Report

Meeting 15th October 2015

- Community Infrastructure Levy ~ Performance update

Members agreed to appoint County Councillor D. Evans to the Section 106 working group.

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11. DATE AND TIME OF NEXT MEETING

Members noted the next Economy and Development Select Committee Meeting would be held on Thursday 23rd July 2015 at 10.00am.

The meeting ended at 12.10pm.