

Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date: 29 June 2016

**Committee:
Enterprise and Growth Scrutiny Committee**

Date: Thursday, 7 July 2016
Time: 10.00 am
Venue: Shrewsbury/Oswestry Room, Shirehall, Abbey Foregate,
Shrewsbury, Shropshire, SY2 6ND

You are requested to attend the above meeting.
The Agenda is attached

Claire Porter
Corporate Head of Legal and Democratic Services (Monitoring Officer)

Members of Enterprise and Growth Scrutiny Committee

Steve Davenport (Chairman)	John Hurst-Knight
Andrew Bannerman	Jean Jones
Nicholas Bardsley	Nic Laurens
Charlotte Barnes	William Parr
Pauline Dee (Vice Chairman)	Paul Wynn

Your Committee Officer is:

Tim Ward Committee Officer
Tel: 01743 257713
Email: tim.ward@shropshire.gov.uk

AGENDA

1 Apologies for Absence and Substitutes

To receive apologies for absence

2 Disclosable Pecuniary Interests

Members are reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

3 Minutes (Pages 1 - 8)

To approve the minutes of the Enterprise and Growth Scrutiny Committee held on 2 June 2016

4 Public Question Time

To receive any public questions or petitions from the public, notice of which has been given in accordance with Procedure Rule 14. Deadline for notification is 5.00 pm on Monday 4 July 2016.

Contact: Tim Ward, Committee Officer, 01743 257713

5 Member Question Time

To receive any questions of which Members of the Council have given notice. Deadline for notification is 5.00 pm on Monday 4 July 2016.

6 Planning Task and Finish Group

To consider and agree updated Terms of Reference for the Planning Task and Finish Group. (To follow)



Enterprise and
Growth Scrutiny
Committee

2 June 2016

10.00 am

Item

Public

**MINUTES OF THE ENTERPRISE AND GROWTH SCRUTINY COMMITTEE MEETING
HELD ON 2 JUNE 2016
10.00 AM - 12.50 PM**

Responsible Officer: Linda Jeavons
Email: linda.jeavons@Shropshire.gov.uk Tel: 01743 257716

Present

Councillor Steve Davenport (Leader)
Councillors Andrew Bannerman, Nicholas Bardsley, Pauline Dee (Vice Chairman),
John Hurst-Knight, Jean Jones, Nic Laurens, Paul Wynn and Roger Evans (Substitute)
(substitute for Charlotte Barnes)

1 Election of Chairman

Nominations were received for Councillors Steve Davenport and Andrew Bannerman.

RESOLVED:

That Councillor Steve Davenport be elected Chairman for the ensuing municipal year.

2 Apologies for Absence and Substitutions

Apologies were received from Councillor Charlotte Barnes (Substitute: Roger Evans).

At this juncture, all Members requested that their best wishes be forwarded to Julie Fildes.

3 Declaration of Interests

Members were reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

4 **Appointment of Vice Chairman**

RESOLVED:

That Councillor Pauline Dee be elected Vice Chairman for the ensuing municipal year.

5 **Minutes of the Last Meeting**

RESOLVED:

That the Minutes of the meeting held on 17 March 2016 be approved as a correct record and signed by the Chairman.

6 **Public Question Time**

There were no public questions.

7 **Members Questions**

Councillor Roger Evans asked the following questions and the written responses were tabled.

Question 1

- (a) In December 2014 an Empty Homes task and finish group was set up and its report considered in July 2015. This report was then forwarded to the Shropshire Council Cabinet. It showed that in November 2014 there were just under 1600 long term empty homes in Shropshire. It also showed an alarming trend of homes that now classed as being exempt from paying council tax, a 900% increase in just 12 months.
- (b) Can an update be provided on what has happened since, how many empty homes have been brought back into use, where they are and how much extra New Homes Bonus was brought in by returning these homes into use during 2015/16.
- (c) How many empty homes are the empty homes team aware of at present?
- (d) Was the total approved budget in 2015/16 fully spent and how much is there allocated for this current year 2016/17?
- (e) Do staff now have access to all the information needed in order for them to carry out their roles efficiently and without undue delay?

The Portfolio Holder for Planning, Housing, Regulatory Services and Environment provided the following written response:

- (a) A redesign of Public Protection services in 2016 was primarily carried out to deliver the financial savings set out in the Council's financial strategy 2016/17-2018/19 and this resulted in a change in role for the two officers involved in the

Empty Property function. One of the officers has moved to the Transactional Management team and will no longer deliver this function. The other officer will continue to have some involvement with empty properties. The extent of the service which can be delivered is dependent on the NHB allocation to the service. 2016/17 New Homes Bonus allocations will be recommended to Cabinet in July and will include an allocation for the empty homes function, in order to support the continuation of the work. The value of the allocation is likely to be determined in early July.

- (b) The work of officers in the Community Protection team resulted in 135 empty properties returned to use and 2 new developments in 2015/16. It is estimated that this would generate £163,485 New Homes Bonus per annum for four years based on a council tax band D property of £1211.
- (c) The figures we obtained on 1st June 2016 identify that there are 1615 Long Term Empty & 463 Exempt Properties.
- (d) £521,226 was allocated to the function in 2015/16, of which £324,874 was spent. The remaining £196,352 is scheduled to be carried forward for use in 2016/17 and will be added to the new allocation for 2016/17.
- (e) Officers have read only access to the relevant parts of the Council Tax database which has improved access to information.

In a supplementary question, Councillor Roger Evans expressed concerns that due to changes in funding available to carry out empty homes work there would be no Action Zones this financial year, yet a Cabinet report indicated that empty homes would actually be allocated £300,000 in grants this financial year and questioned how £163,485 could be spent given that there was now only one member of staff. He referred to a dwelling in his Ward that had been empty for 20 years but no-one, including the Empty Homes Officer, had been informed that it had been removed from the Council Tax register a few years ago; accordingly, he questioned if the Empty Homes Officer had got access to all the data required to carry out his/her job. He commented that the number of homes exempt from paying Council Tax was increasing and asked what this Council was doing to provide new homes and asked for reassurance that this Council was and would continue to pursue empty homes.

In response, the Portfolio Holder for Planning, Housing, Regulatory Services and Environment commented that he had actively encouraged empty properties to be considered by this Committee and as a result of that access to the Council Tax database had been achieved; however, he acknowledged that Council Tax Exemptions had not been considered and this was something that could be pursued. As a result of this Scrutiny Committee, a report had been presented to Cabinet which had endorsed everything that had been agreed by this Committee. A further report would be considered by Cabinet on Wednesday, 8 June 2016.

In response to further comments, the Director of Commissioning indicated that the Financial Strategy, including a section on New Homes Bonus Allocation, would now be considered by Cabinet on 13 July. The Operations Manager Health & Community Protection commented that the figure of £196,352 referred to grants that had already been approved but the work had yet to be completed, and there was

currently a number of properties that were being prepared for approval. The report going to Cabinet would identify the savings that would be available going forward.

Question 2

“SAMDev has now of course been adopted. What plans are there and what is the time scale for updating this plan.”

Response:

“We have already begun the process of reviewing the SAMDev and are progressing work towards calculating the housing and employment requirements for the period 2016 – 2036 to be covered by the next Local Plan. Late receipt of the SAMDev Inspector’s Report and adoption in December 2015 alongside the amount of planning appeals delayed the start of work by 4-6 months over the published timetable (known as the Local Development Scheme <http://shropshire.gov.uk/media/2043044/Draft-LDS-2015-2018-October-2014.pdf>) . However new requirements set down by government in the Housing and Planning Act require Councils to have an appropriate Local Plan prepared and submitted to the Planning Inspectorate by March 2018. A new timetable will be published shortly showing the relevant dates for the different stages of Local Plan leading to submission in March 2018.”

In a supplementary question, Councillor Roger Evans commented that SAMDev had taken a long time and longer than originally expected and asked for assurance that a timetable and deadlines would be implemented to ensure that this Council did not encounter similar problems in future.

The Portfolio Holder for Planning, Housing, Regulatory Services and Environment appraised the committee on the position to date. He acknowledged that Planning had encountered difficult times and explained that the process of assessing resources and staff to achieve publication/submission of the Local Plan was underway. The Physical Regeneration Manager explained that the Housing and Planning Act required councils to have a Local Plan ready for submission to the Planning Inspectorate by March 2018 and this Council was now working towards achieving this.

The Committee thanked all staff for all their hard work to date.

8 Businesses in Shropshire - Update

Mr Ray Hickinbottom (Federation of Small Businesses), Mr Richard Sheehan (Shropshire Chamber of Commerce) and Mrs Amanda Thorne (Business Board) were in attendance and provided an overview of the current challenges and opportunities facing businesses in Shropshire and answered questions from Members.

Richard Sheehan explained that for some time there had been slow and progressive growth in Shropshire. There had been a slight drop in confidence because of the EU Referendum but business in general was satisfactory. The Chamber of Commerce tried to work as closely with Shropshire Council as it could and delivered over 150

business events across Shropshire during the year. In response to questions, he explained that there had been a high growth in the service sector, however, it was perceived that one had to go to Birmingham to acquire high-quality goods but this was not the case and awareness of this needed to be raised. In response to a resurgence in manufacturing the Chamber had now developed a Manufacture Focus Group and also attended schools and colleges to raise the profile of manufacturing which was often perceived as being a dead-end job.

Amanda Thorne commented on the strong relationship between the Business Board and Shropshire Council. There were many businesses in Shropshire making amazing products but she expressed frustration regarding the challenges Shropshire faced regarding connectivity, ie no Broadband connectivity particularly in rural areas; the road and rail network; lack of land availability; energy availability, ie lack of electricity in some towns; and skill shortage/shortage of people. There was currently no Career Enterprise Agency which meant there was no one going into schools to work with teachers and consequently there was a high number of children leaving school who were not 'work-ready'.

In response to comments/questions, the Physical Regeneration Manager, provided an update on the growth hub, land availability and business rates. He explained that workshops to facilitate a conversation around a Vision for Shropshire were being undertaken by Shropshire Council in conjunction with University Chester. Workshops would be held late June/early July with the aim of formulating a draft vision to be considered in the Autumn. With regard to transport connectivity, he provided an update and appraised Members of a recent meeting that had taken place between Daniel Kawczynski MP, Andrew Jones MP, Transport Parliamentary Under Secretary of State for the Department of Transport and Graham Wynn, Chairman of Marches Local Enterprise Partnership regarding the North West Relief Road.

In response to concerns, Councillor Steve Charmley explained that he had recently attended a meeting with various telecommunication providers. Shropshire was about to undertake an open market review to see what was out there and what suppliers had planned for Shropshire within the next two/three years. More localised solutions were being investigated for those areas where BT had chosen not to go. There were new masts planned for Shropshire.

All Members agreed that it was important for Shropshire Council to keep the conversation going and continue to work with the Federation of Small Businesses, Shropshire Chamber of Commerce and the Business Board.

9 Income Opportunities for Shropshire Council

The Area Commissioner, was in attendance and provided an update and responded to questions from Members on the potential for Shropshire to generate income. He explained that a scoping exercise was being undertaken whereby staff were being invited to put forward any ideas they might have for potential income generating opportunities which would support the continuation and/or growth in local public services at a reduced cost taking into account legal, commercial and financial considerations. The Localism Act 2011 had introduced a new General Power of Competence (GPC), which gave councils the power to do anything that an individual

could do which was not expressly prohibited by other legislation. The GPC had not afforded local authorities any new powers to raise tax or precepts or to borrow, but would permit councils to set charges for mandatory services, impose fines or create offences or byelaws affecting the rights of others over and above existing powers to do so. Also, under the Local Authorities (Goods and Services) Act 1970 councils were given powers to enter into agreements with each other.

The Area Commissioner further explained that there was a need for Shropshire Council to become an enterprising Council in terms of how it commissioned, delivered, partnered and contracted out service delivery. Staff should be involved, trained and supported to think innovatively and commercially in terms of income generating activities. Many of the Council's services currently applied fees and charges to raise income and some had successfully trialled new enterprising activities – however, there was the potential to do a lot more. All staff needed to be enterprising, entrepreneurial and encouraged to think more commercially and this would involve a change of attitude, culture and methods of delivery. New models and vehicles such as trusts might emerge in the future. The principle objectives were to improve value for money, generate more income, sustain and improve services in local communities and enhance environmental and social value. Across councils, Officers and Members were becoming more and more commercial in their acumen, outlook and skills to meet future funding challenges.

Members noted that:

- Staff would participate in a skills audit, organisational development and commercial training; and
- Councillors were in regular contact with their respective communities, including local businesses, providers and partners and could play a key role by leading and promoting business enterprise and commercial practice.

The Area Commissioner emphasised that the Council's assets were its staff, estate, its built and natural environment, its ICT infrastructure, its web presence and its brand and in order to generate savings and income this Council could use a commercial and capital investment approach to generate savings and income by:

- Using existing markets (schools) and new markets (energy supply);
- New business ventures – eg, a licensed energy supplier as a potential partner for Shropshire Council to deliver energy supply to domestic and business consumers and to identify energy opportunities could generate income for Shropshire Council and provide social value; and
- Sponsorship and advertising.

AGREED: That Tim Smith, Area Commissioner, attend future meetings to provide an update.

10 Planning Task and Finish Group

Following a discussion it was **AGREED:**

- (i) That a Task and Finish Group be convened;
- (ii) That Terms of Reference be drafted for approval by the Committee; and

- (iii) The Planning Services Manager to provide costings/savings on a two Committee model.

11 Future Work Programme for the Enterprise and Growth Scrutiny Committee

Members noted the Future Work Programme.

12 Date of Next meeting

RESOLVED:

That the next meeting of the Enterprise and Growth Scrutiny Committee would be held at 10:00am on Thursday, 7 July 2016.

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