



Enterprise and
Growth Scrutiny
Committee

12 November 2015

10.00 am

Item

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Public

**MINUTES OF THE ENTERPRISE AND GROWTH SCRUTINY COMMITTEE MEETING
HELD ON 12 NOVEMBER 2015
10.00 - 11.45 AM**

Responsible Officer: Julie Fildes
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Present

Councillor Steve Davenport (Leader)
Councillors Dean Carroll (Vice Chairman), Nicholas Bardsley, Charlotte Barnes,
Pauline Dee, Jean Jones and Roger Evans

41 Apologies for Absence and Substitutes

Apologies for absence were received from Councillors J Hurst-Knight, A Bannerman for whom Councillor R Evans attended as substitute and W Parr for whom Councillor C Lee attended as substitute.

42 Disclosable Pecuniary Interests

There were none disclosed.

43 Minutes

RESOLVED:

That the Minutes of the meeting held on 22nd September 2015 be approved as a correct record and signed by the Chairman.

44 Public Question Time

There were no public questions.

45 Member Question Time

Councillor Andrew Bannerman asked the following questions and the written response was tabled.

How much was spent by the Council on the Arts Revenue Grant in the last financial year?

During 2014/2015 the total Revenue Client funding awarded was £65,150 (£48,850 to Arts Organisations/Venues and £16,300 to Festivals). This funding was awarded to 31 organisations.

How much in collateral funding from other agencies was leveraged by this grant?

£967,535.75

At the end of the financial year, revenue funded organisations are asked to complete a report, which includes financial information.

The above figure, reflects the total amount of external funding organisations received during 2014/15, from earned income. This includes; ticket sales; workshop fees etc; grants from funding bodies such as the Arts Council England, Heritage Lottery Fund and sponsorship.

How does the Council value the work of the groups and companies in receipt of this Grant?

Shropshire Council recognises the important role the arts play in making Shropshire a great place to live, work and visit and their significant role in the economic, educational and cultural well-being of the county.

The Revenue Client grants are awarded through a competitive application process. The grant scheme is intended to provide revenue funding for professional arts organisations, venues and festivals, who regularly deliver professional arts activity in Shropshire and make up the majority of the arts sector.

These organisations and festivals regularly program arts activity for the benefit of artists, participants and audiences and employ professional artists to deliver this programme.

The funding allows organisations and festivals, to enhance and add value to their programme and be used as seed funding to leaver in other external funding. The revenue client funding does not provide ongoing core operational costs.

The award criteria looks to fund organisations or festivals that:

- Provide a high quality arts experience
- Provide a regular programme of activity in Shropshire
- Improve access to arts activity for people living in Shropshire
- Raise the profile of the arts in Shropshire
- Support the local arts economy
- Ensure open access to all
- Deliver programmes of activity that support the organisations development and sustainability
- Develops and delivers arts focused professional development training for the sector
- Are financially viable and attract income from other sources

What decision has been made about the future of the Grant?

Following the announcement, that Shropshire Council will be changing the way it supports the Arts Sector and the Arts Development Officer role from April 2016, two meetings have been held with the Revenue Clients.

The meetings, which were held on Thursday 8th October and Thursday 22nd October, were an opportunity to; discuss the wider challenges faced by the Council; explore how Shropshire Council can work collectively with the arts sector to successfully meet our joint aims and to identify the revenue clients organisations development needs going forward in an environment where there will be less money.

A way forward and set of recommendations is currently being developed following the feedback and discussions from the meetings and ongoing dialogue with the arts sector. We aim to announce these, at a meeting with the Revenue Clients in early December.

Councillor Roger Evans suggested that the Arts Revenue Grant be added to the Enterprise and Growth Scrutiny Committee's work programme.

46 **Mobile Telecommunications**

The Broadband Manager explained that whilst Shropshire Council recognised the important economic and social benefits from a robust and accessible mobile phone network in the County, it had no direct responsibility for mobile phone signal issues or provision. Responsibility lay wholly with the Mobile Network Operators (MNOs) who were private companies. He continued that it was recognised that Shropshire was impacted by poor signal coverage, which was not confined to rural areas.

Members noted that areas where no mobile coverage is likely to be provided by the MNOs are defined as 'not spots'. The Treasury had made funding of £150m available to the Department of Culture Media and Sport (DCMS) to fund the Mobile Infrastructure Project (MIP) to enable MNOs to address some of the identified Not Spots. Broadband Delivery UK (BDUK) had been tasked with managing the MIP at a national level and they had appointed Arquiva as their main contractor.

Nine provisional Not Spot sites had been identified in Shropshire for inclusion in the project. In September 2015 BDUK confirmed that they would no longer be pursuing any of the Shropshire sites due to the impending closure of the project. The Council has written to the County's MPs to ask them to raise this issue with the Minister.

Members noted that the Council continued to work closely with Ofcom and DCMS but as it has no direct responsibility in this area it had few options other than to lobby the providers and Government.

The Programme Manager continued that the Council could not access the data held by the MNOs on signal provision as this was commercial sensitive information. He suggested that to establish the extent of the problem in the County, it would be necessary to either employ the services of a specialist consultant or use a form of crowd surfing where the public could provide the data through a specialist app installed on their mobile phones.

In response to a Member's question regarding Cabinet Member responsibility for this issue, the Commissioning Director replied that as this area was not within the remit of the Council it did not fall into any of the Portfolios. He continued that the erection of masts required planning permission but this was not perceived to be a problem and support was usually given for applications.

The Programme Manager explained that it was difficult to hold providers to account for poor service. The Deputy Leader added that a meeting had been arranged for 8th January 2016 and both Operators and MPs had been invited to meet with Cabinet Members to discuss the situation and the way forward. In response to a request he agreed that the possibility of inviting other Group Leaders to this meeting would be considered.

Members noted that new licensing arrangements by Central Government may improve signal coverage.

A Member suggested that as central Government had withdrawn funding from the project that Shropshire Council may consider providing its own funding due to the importance of signal provision within the County. A Member commented that the MNOs should be encouraged to exhaust all other possibilities before this is considered.

RESOLVED:

That Members agreed that a robust mobile phone network was important for the County and they would support work undertaken to achieve this.

47 Financial Strategy

The Performance Manager stated that the Financial Strategy Report had been considered by Cabinet at its meeting on 28th October 2015. He continued that the Financial Strategy set out the plan of action for the next 5 years and contained a clear view of the challenges that were likely to be encountered due to changes in funding methods, whilst recognising that expected changes were still not fully detailed in both the short and medium term. He added that the Council was also about to launch the 'Big Conversation' to communicate the changes and challenges and to identify what aspects of the Council's work that communities feel they were prepared to take on or were prepared to lose. The Performance Manager continued that it was expected that the Financial Strategy would provide the framework for the Committee's future Work Programme.

The Commissioning Director continued that the Cabinet report set the scene for the next 5 years but work on the details of the plan was still underway, some of which would come forward in the next paper going to Cabinet on 9th December 2015. He continued that a lot of work was required to enable the Council to achieve its net operating budget in 2020.

A Member requested that the Big Conversation was publicised in a simple way and needed to include information on what the Council had already achieved.

A Member expressed concern that diminishing budgets would impact on the infrastructure of the County at a time when the County needed to attract more

businesses as it was to be reliant on the Business Rates they generated for its income as other sources of income ended.

A Member asked whether the Council had a strategy to address this. The Chairman responded that Members of the Committee had been closely involved in the redesign process of the Economic Growth Section and identified the importance of providing the conditioning to enable businesses to grow and flourish within the County.

The Portfolio Holder for Regulatory Services, Housing and Commissioning commented that the situation was fluid and he hoped that more would be known once the Autumn Statement had been published. The Deputy Leader added that the LEP were actively working on infrastructure improvement projects. Bids were being prepared in advance to enable European funding to be applied for as soon as it was announced.

In response to a query regarding small business rates, the Commissioning Director replied that the Council would retain its authority to reduce Business Rates but it could not increase them. He anticipated that Small Business Rate Relief would remain.

Members discussed the problems caused by Shropshire being an attractive County to retire to and the impact this had on the adult social care budget. The Chairman reminded Members that this was not within the remit of this Scrutiny Committee.

Member commented that many members of the public were unaware of the full range of services provided by the Council, it was suggested that a full list should be provided as part of the Big Conversation information. The Performance Manager explained that 150 functions had been identified, these had been distilled down to 46 and then again to 12 descriptions. The website would allow people to see all the functions of the Council. The Performance Manager explained that in the first instance information would be gathered through asking the public to complete a questionnaire which was in the design process at the moment. In January and February workshops and focus groups would be held to extrapolate further information. The first phase of information gathering would be completed by the end of March 2016, but this was planned as an ongoing process.

A Member suggested that the questionnaire should be despatched with Council Tax and Business Rate demands. It was agreed that this could be considered but had been discounted previously as it would only be seen by the head of the household.

The Lib Dems Group Leader expressed disappointment that he had not been involved in the formulation of the Questionnaire, this was echoed by the Leader of the Independent Group. The Deputy Leader confirmed that Cabinet had not been involved either and he would enquire if the other Group Leaders could comment on the questionnaire with Cabinet before its distribution. Members observed that lessons could be learnt from a recent Fire Authority consultation.

In response to a Member's question regarding preparation being undertaken for changes in the funding structures, the Deputy Leader explained that a great deal was happening with Economic Development. He cited examples of the Growth Hub opening in Shrewsbury, ongoing work with developers to attract businesses to the

County, the establishment of the Enterprize Zone in Oswestry which had received National Government funding, LEP applications for European funding. He continued that Shropshire was ideally situated between the Northern and Midland Powerhouses and he felt that the County was more than capable of holding its own.

A Member reiterated the earlier request for Shropshire Council to invest in the mobile signal network and to make further headway with improving Broadband provision. The Deputy Leader commented that the Broadband project was progressing well and was currently waiting for the European Parliament to agree to further state aid.

RESOLVED:

That the Financial Strategy be noted.

It was recommended that Group Leaders be included in the consultation on the questions to be used for the Big Conversation Questionnaire.

48 Student Accommodation Task and Finish Group Report

Councillor Dean Carroll as Chairman of the Student Accommodation Task and Finish Group introduced the Group's reports and its recommendations.

Councillor Carroll explained that prior to the establishment of the University Centre, Houses of Multiply Occupation (HMOs) did not feature prominently in the Core Strategy for Shrewbury. The first report recommendation was that the Local Plan Review should consider specific policy formulation for this type of dwelling. He continued that Recommendation 2 related to the development of the Supplementary Planning Document (SPD). Members noted that a SPD could not be used to introduce new policy but would support any policy that came from the Local Plan Review.

Members noted that the Task and Finish Group had received evidence regarding the importance of establishing a HMO database to provide baseline information to inform later decisions.

Members were directed to Appendix 1 which set the proposed Student Accommodation Accreditation Scheme which would be implemented to protect the interests of existing residents and students. Recommendation 5 proposed additional points to be included in the scheme.

Councillor Carroll noted that the Task and Finish Group had established that the projected growth in student numbers was expected to be steady and gradual, with sufficient capacity in the Council's halls of residence. This would allow appropriate policies to be developed and implemented before problems arose. Councillor Carroll confirmed that the Task and Finish Group had interviewed the Deputy Provost of the University to gain a clear understanding of the situation. He added that he was confident that the adoption of the report's recommendations would mitigate any potential problems.

In response to a Member's question regarding the application to apply for an Article 4 Direction (A4D) which would remove permitted development rights and require all dwellings with the intention to convert to HMOs to first gain planning permission,

Councillor Carroll explained that the Task and Finish Group had considered this issue extensively and obtained both internal and external legal advice. The advice had been that it was not appropriate to apply for an A4D before evidence of harm could be provided and that recommendation 3 which required ongoing monitoring would enable evidence to be gathered.

Members expressed their thanks to the Chairman of the Task and Finish Group for the high standard of the work undertaken and the quality of the report.

RESOLVED:

That the recommendations of the Student Accommodation Task and Finish Group be endorsed.

49 Economic Growth Redesign Update

The Business Relationship Manager informed Members that the new Economic Growth Team would be fully appointed by 1st December 2015. There would be a period of handover which would be completed by the end of December 2015.

She continued that the dedicated website had been allocated funding and was under construction. It was anticipated that it would be launched before the end of the financial year. In response to a Member's query, she confirmed that it contain links to the Shropshire Council and Marches LEP websites.

Members noted that work had started to identify priority projects and to review the Business Strategy and Objectives.

50 Future Work Programme for the Enterprise and Growth Scrutiny Committee

RESOLVED:

- i. That a review of Public Protection be added to the Committee's Work Programme; and
- ii. That a joint Task and Finish Group be set up with the Performance Management Scrutiny Committee to consider Planning Performance.

51 Date of Next Meeting

RESOLVED:

That the Committee next meets on Thursday 10th December 2015.