

**SCRUTINY COMMITTEE held at ZOOM on THURSDAY, 24 SEPTEMBER 2020 at 7.00 pm**

Present: Councillor N Gregory (Chair)  
Councillors A Coote, A Dean, G Driscoll, P Lavelle, G LeCount (Vice-Chair), G Sell and A Storah

Officers in attendance: R Auty (Assistant Director - Corporate Services), D French (Chief Executive), C Gibson (Democratic Services Officer), G Glenday (Assistant Director - Planning), R Harborough (Director - Public Services), A Knight (Assistant Director - Resources) and A Webb (Director - Finance and Corporate Services)

Also present: Councillor R Pavitt (public speaker), Councillors M Caton, J Evans (Portfolio Holder for Planning and the Local Plan), N Hargreaves (Portfolio Holder for Finance and Budget ), P Lees (Deputy Leader of the Council), J Lodge (Leader of the Council) and N Reeve (Portfolio Holder for the Economy and Investment).

**SC24 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies were received from Cllrs Criscione and Jones.

**SC25 MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting held on 1 September were agreed and would be signed by the Chair as an accurate record at the next opportunity.

**SC26 PUBLIC SPEAKING**

Councillor Pavitt spoke on the Revised Corporate Plan Delivery Plan 2020/21. He said that it was good to see that funding was now available and made reference to taking action on climate change and the need to conserve natural resources. He expressed concern that a target date of 21 March 2021 had become a default date despite the Waters and Rivers motion having been passed at the Council meeting in July 2020.

Councillor Reeve responded that this fell within Councillor Pepper's remit but that the target might be reached earlier than March 2021. Councillor Pavitt said that he would follow this matter up with Councillor Pepper.

The Chief Executive and the Assistant Director - Planning said that actions arising from the Waters and Rivers motion were being taken forward.

**SC27 UPDATE ON PLANNING RELATED STUDIES**

The Chair brought this item forward on the Agenda.

The Assistant Director – Planning gave an update of the three planning related studies that Scrutiny was currently engaged with.

- Airport– related Parking Task and Finish Group. The impact of fly parking was not considered to be significant as a result of Covid-19 although there had been movement towards greater use of private cars than public transport. This matter would be kept under quarterly review.
- Planning Obligations Task and Finish Group. This work had been paused and would be picked up again after Christmas.
- Planning Advisory Service’s (PAS) review of major planning applications. The final report was now scheduled to be issued in October 2020 and would be focused on PAS’s recommendations to further improve the way that the Council managed major planning applications. The Assistant Director – Planning suggested that an Action Plan from the recommendations would be brought back to the Committee early in the new year.

Councillor Driscoll indicated that the Stansted Transport Forum had agreed to speak at the next meeting about fly-parking.

The Chair thanked officers for their hard work and diligence. He referred to the Stansted application and the modal shift from private car to public transport and asked whether it was significant that there was now reverse shift.

The Director - Public Services said that this issue had been flagged up and that work was underway on the part of the appellant to address these concerns.

The Chair noted the updates of the three planning related studies.

## SC28 **RESPONSES OF THE EXECUTIVE TO REPORTS OF THE COMMITTEE**

The Chair said there had been no responses from the Executive to reports of the Committee.

## SC29 **CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO CALL IN OF A DECISION**

The Chair said that there had been no matters referred to the Committee.

## SC30 **CABINET FORWARD PLAN**

Councillor Dean asked whether the Community Engagement Strategy and the Statement of Community Involvement would be brought to the Scrutiny Committee ahead of Cabinet on 20 October 2020. It was confirmed that these items would come to Scrutiny Committee on 7 October 2020.

Councillor Dean also asked whether the Council's Corporate Equality Policy would be brought to the Scrutiny Committee ahead of Cabinet on 20 October 2020. It was indicated that this would not be coming to Scrutiny ahead of the Cabinet meeting. However, three Councillors were nominated to examine the document and make comments ahead of Cabinet. Councillors Sell, Dean and Driscoll volunteered to receive documentation to be provided by the Assistant Director – Corporate Services.

The Chair referred to the item in respect of Appropriation of Land West of Woodside Way, Great Dunmow and asked when this matter might be resolved.

The Director - Public Services indicated that it was likely to go to the next but one Cabinet meeting and that there was no immediate urgency.

### SC31 **LOCAL AUTHORITY INVESTMENT IN COMMERCIAL PROPERTY - NATIONAL AUDIT OFFICE REPORT**

The Chair welcomed Councillor Caton, who had sat on the Scrutiny Committee in the previous municipal year and had worked on the matter of Local Authority investments, to present the report.

Councillor Caton referred to the role of the Public Works Loans Board (PWLB) and the principles of borrowing for yield. He recognised that the Council had been borrowing on the open market. He highlighted the fact that Spelthorne Council had at one point borrowed fifty times their annual budget for commercial investments in comparison with the Council's current level of £300m, representing 8/9 times the annual budget. He said that the Council needed to look at levels of borrowing and needed to update the Commercial Strategy and be more open and transparent. He suggested that Key Performance Indicators and other performance measures should be considered by Scrutiny Committee. He said that the Council should take a more holistic view of the Investment Strategy, not just from an income point of view and referred to the idea of having an Independent Chair of the Investment Board.

Councillor Reeve, as Chair of the Investment Board, responded. He said that the points being made were not new and the current priority was to complete the portfolio. This would be followed by reviewing the maintenance of the portfolio and updating policy documents.

Councillor Sell said that he sat on the Investment Board and there was a need to determine the relationship between the Board and Scrutiny. He said there was a need to revisit the Commercial Strategy and that matters should not just be financial but should also be reputational.

Councillor Lavelle outlined the current processes in place in respect of investment decisions that he considered to be robust. He agreed that there was a need to ensure that the Investment Board correctly managed reputational risk.

Several Members commented on the governance processes in place prior to approval of investments. The good work of officers in the process was recognised.

The Director – Finance and Corporate Services said that there had been nothing issued yet in respect of PWLB consultation and there was QC opinion that the Council was investing to underpin the budget, not for yield. He said the November meeting of the Investment Board would receive its first Quarterly report and these would include some KPI's that the Government had recommended. He said that it was the role of GAP Committee to review the KPI's. He said that the Commercial Strategy was a five year strategy and that actions taken had complied with the strategy as approved in February 2020.

Councillor Caton welcomed Councillor Reeve's recognition of the need to look forward at improvements.

The Chair thanked Councillor Caton for his contribution to ensuring that the Council was doing things correctly and he thanked the Investment Board.

Councillor Sell asked about the role of GAP Committee in relation to monitoring KPI's and also at what point investments were in the public domain.

The Director – Finance and Corporate Services confirmed that KPI monitoring sat within the remit of GAP Committee and that once investments had been completed they would be publicised.

*The meeting was adjourned for a comfort break at 8.00pm and reconvened at 8.10pm.*

## SC32 **MEDIUM TERM FINANCIAL STRATEGY - MID YEAR UPDATE**

Councillor Hargreaves, as Portfolio holder for Finance and Budget introduced the report. He said that the figures had been produced a few weeks ago and were the best estimate of the Outturn. He said there was a reserve allocation of £500k for the Covid- 19 emergency and that the Covid- 19 impact was showing a net loss of £800k, net of Government assistance but that because commercial investments had come on stream quickly the shortfall could be covered.

He said that in the longer-term the sum of £475k had been assumed for Government transitional funding and that further assumptions had been made that the New Homes Bonus would also continue for a further year. He said that fees and charges were still under review but that the good news was that the Council was on track to be self-funding. He also highlighted the other reserve allocations of £1m for climate change, £450k towards sports facilities, £1m towards business recovery and £1.5m towards a waste depot. He also stated that as the Council now relied on its investment income, it was prudent to set aside monies in case of tenant failure at any one of the commercial assets and that the £1.06m in the Funding Reserve would be transferred to the new Investment Income Protection Reserve.

Members discussed the £1m Business Recovery Reserve and how seed monies could be utilised. The Stansted Business Forum had indicated that it was willing to participate in any discussions and Councillor Reeve indicated that works had already commenced to consider the use of the Business Recovery Reserve.

Councillor Sell referred to the Sports Facility Reserve of £150k per annum and was provided with information as to how to bid for grant monies. The Leader said that some monies would likely be allocated towards the 3G pitch at the County High School, subject to formal approval and that a possible project was being looked at in Dunmow and Councillor Armstrong would welcome proposals for the Stansted area.

In response to questions about the impacts on Council Tax and Business Rates, the Director- Finance and Corporate Services said that most affected businesses were on a business rates holiday and that most council tax payers had received a two months holiday at the start of the financial year. He said that no enforcement was currently taking place and there would inevitably be a fall in income but that half-year figures would be available from 1 October 2020.

In response to a question about the Economic Development team, the Chief Executive outlined the staffing arrangements in place to assist in taking forward the Business Recovery Reserve.

The Chair said that the financial figures were impressive and asked a question about the projected gross service figures and the 2% increase in Council Tax along with the frequency of the Pension Fund deficit payments.

The Assistant Director – Resources explained that the projected gross service figures were largely due to changes in the Local Plan budget. She also said that she would provide Members with additional information in respect of Council Tax. She also explained the yearly breakdowns of the Pension Fund deficit payments.

Members discussed the Governance Review Working Group and the delays in reviewing governance arrangements. Members had been informed that resources were not currently available to support the work of the Group but it was noted that the Council's financial position was better than envisaged.

Councillor Lees said that reviewing governance arrangements had been a manifesto commitment and that there had been a hiatus largely because of the Covid- 19 pandemic and that priorities lay elsewhere. Recommendations originally due in March 2021 would fall back to March 2022.

The Chair stated that this had been a very impressive achievement in completely overhauling the MTFS and the financial robustness of the Council.

Councillor LeCount proposed a motion thanking the Director – Finance and Corporate Services, the Assistant Director – ICT and Facilities, the Assistant Director – Resources and their teams in addition to Councillor Hargreaves for what they had achieved in the last year.

Councillor Sell seconded the motion.

RESOLVED to approve the motion. This was unanimous.

### SC33 **REVISED CORPORATE PLAN DELIVERY PLAN 2020/21**

Councillor Reeve, as Portfolio holder for the Economy and Investment, summarised the report. He said that the Corporate Plan 2020 – 2024 had been adopted by Full Council in February 2020. Cabinet had approved the Corporate Plan Delivery Plan (CPDP) in May 2020 and it had been acknowledged that the plan had to reflect the situation the Council found itself in, which had been constrained by the impact of Covid-19. The revised CPDP had been brought back to Scrutiny Committee but should be reviewed in the light of an overriding caveat that the public health emergency would take priority in the use of resources. He said that the elements of the Council's Corporate Plan in the left hand columns of the document were not up for amendment. The intention was to take this Delivery Plan to Cabinet in October 2020 and then performance update would be considered by GAP Committee in February 2021. He said that the Council's overriding priorities were the public health emergency and financial sustainability.

The Chair detailed the history of the CPDP and explained that previous meetings of this Scrutiny Committee had expected rather better of the document. He also referred to the Chief Executive's cover report Paragraph 12 that stated "the reason for the call-in was: 'because the Corporate Delivery Plan is insufficient insofar as it is, inter alia, not measurable, lacking in both quantified and timed outcomes. It therefore requires further development to meet these good governance standards. The plan should also demonstrate aspirational outcomes achievable in normal times and should not solely be downplayed by current uncertainties caused by the Covid- 19 pandemic.' "

Councillor Sell said that he agreed with what the Chair had said. He said that some progress had been made but that the document lacked specifics and details of how to measure outputs. He was concerned about deliverability and understanding what was meant by success. He gave the Watford Council Delivery Plan as a good example of a vision and SMART targets.

In response to a question from Councillor Sell, Councillor Reeve explained the process of compiling the CPDP that involved input from Portfolio holders and officers working up elements of line items and then discussing them with Cabinet through the Joint Executive Team.

Councillor Dean said that he had circulated an annotated version of the document with around 60 suggested amendments that he was happy to take off-line. He highlighted the following issues:

- Page 125 Item 2a- he said that date changes were needed,
- Page 126 Item 2c- he had some suggestions for the member development programme,
- Page 133 Item 5- he hoped this was realistic and not just in grand isolation,

- Page 134 Item 5f- he said this did not reflect urgency and the need to get involved in the local economy,
- Page 134 Item 7a- he said the wording suggested delay.

*At 9.10pm the Chair asked the Committee whether they were content to continue as the meeting had passed the two hour mark. The Committee consented.*

Councillor Reeve said that he had taken note of the comments made by Councillor Dean and that they would be considered.

Councillor Lavelle highlighted some significant changes that the Council had already implemented. Members then discussed the role of Scrutiny Committee in relation to reviewing the CPDP.

Councillor Hargreaves said that he had looked at the Watford Council Delivery Plan and considered it to be all aspirational. He said he was surprised that it was being held up as a good example.

Councillor Lees responded to Councillor Dean's comments about Housing issues and indicated that there might be a short delay due to the pandemic. She said there were dates set for every strategy as to when they would be published and delivered.

Councillor Storah referred to the term 'Interim Planning Policy guidance' highlighted on Page 130 items 2c and 2d. He considered that there was no scope for this and that it could possibly be replaced through reference to Supplementary Planning documents. He said he would contact the Assistant Director - Planning to discuss.

Councillor Driscoll said that he had no problems with the document as it was live and he would expect to see many changes particularly in light of the pandemic.

The Chair said that he considered the document to be an improvement but was not as good as it could be. He said there was not information in respect of success indicators and there was a lack of quantification and numbers. He would also have hoped to have seen a greater number of KPI's and Service standards.

The Chair referred to the Chief Executive's cover report Paragraph 14 in respect of Covid- 19 numbers increasing significantly. He asked for clarification as to whether this was the case in Uttlesford.

The Chief Executive said that we had experienced a significant increase which had meant that Uttlesford had been rated as Red in terms of the Public Health England Exceedance report, starting from a very low base. Increases had also been seen across Essex but Essex was doing much better than the rest of the country. In the latest report Uttlesford had been shown as Green having had 26 cases in the past 7 days but we had previously been shown as Red for several weeks running.

Councillor Reeve re-affirmed that he would look again at the points made by Councillor Dean, particularly about how to measure success. He said that

Councillor Dean had criticised some of the wording on the left hand column on the document but that had already been approved as part of the Corporate Plan and would not be revisited again until February 2021. He said that he recognised that the Economic Development Strategy would require additional resources and that he would look at Councillor Storah's comments about Interim Planning Policy guidance. He said that he questioned the value of making substantial changes at this time and recognised the Chair's comment that the document had improved.

Councillor Coote thanked Councillor Reeve and said that the Scrutiny Committee needed to remain impartial and not broken down into political allies.

Councillor LeCount commented that the district had a low percentage of Covid-19 cases.

The Chief Executive said that recent increases had started from a very low base and that she did not want any complacency but for people to remain alert. She referred to the Essex County Council slogan of "Let's Keep Essex Open".

Councillor Lees said that she agreed with Councillor Coote about the need not to fall into political stances in the Scrutiny Committee. She also said that she would look at the points made by Councillor Dean and would address those in respect of her own portfolio.

The Chair said that it was right for the elected main party to implement their manifesto but that Scrutiny was about delivery and the governance of delivery.

Councillor Dean highlighted two further items requiring clarification:

- Page 141 Item 2d- he said that fourth column does not address the main problem of implementing programmes to reduce single-use plastics.
- Page 142 Items 4a and 4b- he said that these items suggested that there were no apparent intentions in respect of taking action on dealing with pollution and that nothing was happening.

He thanked Councillor Reeve and Councillor Lees for taking note of his comments and would be happy to have further dialogue off-line.

Councillor Driscoll said that in respect of Councillor Dean's second point, the Climate Change Air Quality Sub-Committee was currently looking at suggestions about taking strong action on dealing with pollution.

*The Chair thanked the minute taker and closed the meeting at 9.50pm.*