



MEETING OF THE ECONOMIC DEVELOPMENT AND SCRUTINY PANEL

WEDNESDAY, 25 OCTOBER 2006 2.30
PM

PANEL MEMBERS PRESENT

Councillor Dorrien Dexter
Councillor Mike Exton
Councillor John Nicholson (Chairman)
Councillor Stan Pease

Councillor Ian Stokes
Councillor Mike Williams (Vice-Chairman)
Councillor Mrs Azar Woods

OFFICERS

Scrutiny Officer
Scrutiny Support Officer
Service Manager, Finance and Risk Management (notes 12-16)
Service Manager, Economic Regeneration and Town Centre Management (notes 12-15)
Service Manager, Planning Policy (notes 12-16)
Business Manager, Development and Building Control

12. MEMBERSHIP

The Panel were notified that Councillor Exton would be substituting for Councillor Mrs. Smith for this meeting only.

13. APOLOGIES

Apologies for absence were received from Councillors Joynson and Mrs. Kaberry-Brown.

14. DECLARATIONS OF INTEREST

No declarations were made.

The Scrutiny Officer explained that the first gateway review was for monitoring service performance against the relevant service plan for 2006/07 and identifying remedial action. During the second gateway review the Panel would look at the service plan in conjunction with projected budgets. Financial services would inspect the service plan, which should reflect comments and recommendations made by the DSP during the second review. The DSP would then conduct the third gateway review.

The Service Manager, Finance and Risk Management said that the Panel needed to be satisfied that they had carried out robust scrutiny of service plans so that service managers

had a clear mandate.

15. GATEWAY 1: ECONOMIC DEVELOPMENT AND TOWN CENTRE MANAGEMENT

The Service Manager, Economic Development and Town Centre Management gave a presentation on the areas of the 2006/07 Planning Policy and Economic Regeneration Service Plan that were relevant to the new service area. The service was relevant to two of the District Council's corporate priorities: town centre regeneration (Category A) and business development (Category B).

Operational delivery was aided through strategic documents produced for the council and independent groups. SKDC first measured the performance of the economic development team in 2005/06; this was used to set the baseline for 2006/07 indicators, which included: the total number of business enquiries, inward investment enquiries, the number of jobs created, adults in employment gaining new skills, businesses assisted with projects and business support, the number of business start-ups that were supported and the leverage of external funding per pound invested by SKDC.

A Town Centre Manager had been appointed to all towns to work with the Town Centre Management Partnerships (TCMP). Each partnership was at a different stage: Stamford was the most mature, the Deepings was still gathering consensus and support. TCMPs were identified as the best vehicle for delivering partnership initiatives and utilising local support, whilst accessing national resources.

The management restructure amalgamated street markets and fairs and events with Economic Development and Town Centre Management. As the structure was new, service resources had yet to be considered.

The service was responsible for policy formation and policy alignment; partnership working and direct intervention. The team was involved in a wide range of town centre projects and initiatives and economic and community development projects and initiatives across the district.

Challenges for the service during 2006/07 included ensuring consistent service for markets and fairs, delivery of the Stamford Gateway project, the evaluation of the Northfields project, provision of support for TCMPs, gaining consensus and agreement of the Grantham Masterplan and the compilation of a project team and plan of attack; bid writing to economic development agencies for key projects and monitoring, reporting and project managing schemes.

The service handled a diverse range of budgets. A significant spend between December 2006 and February 2007 was expected for town centre projects. The need to readjust budget codes to reflect the restructure had been identified.

Panel members discussed the presentation and asked. Points included:

- The structure and composition of the market team remained the same following the transition from the former Leisure and Cultural Services.
- Events held in the town centres were funded by a number of different sources; some were funded by the District Council, others were funded by private companies who received District Council support and publicity;
- The priority given to the development of housing impacted on the number of business start-up workshops that could be provided.
- The leverage of external funding per pound was dependent on projects

undertaken by the District Council. Large projects would source greater funding from external agencies increasing the leverage.

- If the District Council controlled Community Interest Companies (CICs) they would be less eligible to receive external funding.
- To achieve Gershon savings, Economic Development Officers had been trained internally. This meant that the Council could take advantage of the skills they had developed. This was useful because there was no specific training in Economic Development was available post-16 and meant that non-qualified staff could be used instead of qualified staff.
- A key issue for the Council was staff retention. Other service managers present this; the private sector was viewed as more attractive. Panel members suggested that staff retention would be aided if salaries were at the same level as neighbouring authorities.
- If a market existed, the Team would consider entering contracts undertaking Economic Development work on behalf of other councils.
- Gershon savings would be reviewed in terms of staff productivity: the rate at which market stalls were erected in Stamford was greater than Grantham.

Issues to note for Gateway 2:

- **Increase in salary for officers to aid retention**

16. GATEWAY 1: PLANNING POLICY

A presentation on the Planning Policy service plan was given by the manager. The service was responsible for the production of the Local Development Framework (LDF), the provision of advice for development control officers, responding to consultation documents, data collection and upholding the conservation policy. The planning policy team was fully staffed.

The primary aim of the Planning Policy service was to meet statutory requirements to prepare a Local Development Framework. In April 2006, the Statement of Community Involvement was the first document to be adopted. Consultation on the Core Strategy and Site Allocations was undertaken during the summer of 2006. Background studies to form a robust evidence base for the documents were almost complete. Two conservation area appraisals had been delivered.

Achievements of the service in 2006 included: the submission of all national and regional monitoring returns; improvements to I.T. software and its infrastructure; increased delivery of affordable housing in partnership with other services and a successful Growth Point bid for Grantham.

The budget for 2006/07 was significantly higher than the total actual spend for 2005/06. The actual spend recorded to the end of September appeared under budget. This was attributed to anomalies in the employee budget; it was not clear from which budgets funding for some staff had been drawn. There was a need to clarify on what areas the Planning Delivery Grant had been spent.

The service was moved from Category B to Category M, however, it played a key role in delivering two Category A outcomes: affordable housing and town centre regeneration. A large number of service obligations were laid down in the Local Development Scheme – a three year project plan for the production of the LDF, which made it simpler to plan expenditure.

A reduction in employee costs beyond 2006/07 was anticipated because of the loss of half a service manager, planning officer and reduced hours for a senior planning officer. There would be a reduction in budget for consultants' fees because the majority of budgets would have been delivered by the end of 2006/07. There was the need to increase the budget for hearings and inspectors' fees.

Gershon savings had been achieved through significant reduction in employee costs; the purchase of IT software which increased efficiency; the partial recoup of consultants' fees through the charging structure for reports and background studies and disinvestment in historic building grants.

The SWOT analysis identified service strengths as: a good knowledge base in a settled team with opportunities presented by the LDF. That the LDF system was new was identified as a weakness. Other weaknesses included the ability to recruit qualified staff and a lack of resources for heritage and urban design. Opportunities would be provided through partnership working and the ability to set realistic targets through the Local Development Scheme. Threats identified were the management of the impact of restructure, the flexible nature of the planning delivery grant and further changes to the national planning system.

Additional resources could be required following the monitoring of effects from the restructure. To improve the service's BVPI performance on conservation area appraisals, further resources could be required. Additional finance would have to be available for LDF examinations and inspectors' fees.

Following the presentation, members of the panel discussed the issues raised:

- Where possible, studies were done in conjunction with other local authority areas, however, most required area specific information.
- Without funding in place for appeals and inspectors' fees, the Council would be unable to get the LDF signed-off.
- Reduction in the level of funding for conservation projects caused concern.
- The robust evidence necessary for the compilation and sign-off of the LDF would consist of empirical evidence based on statistics, social and economic data and anecdotal evidence.
- The service had undertaken a cautious approach to the production of LDF documents, since the first two authorities to undergo inspection were deemed unsound.

Issues to note for Gateway 2:

- **Whether additional resources would be necessary to improve the number of conservation area appraisals undertaken in a year.**

CONCLUSION:

That the Service Manager, Planning Policy should look into anomalies between the budgeted spend for employees and the actual spend for employees for 2006/07.

17. GATEWAY 1: DEVELOPMENT AND BUILDING CONTROL

The Building Control Service Plan had been considered by considered by the Community DSP. The Panel agreed that they should continue to scrutinise the service.

The Business Manager for Development and Building Control spoke briefly to the Development Control Service Plan. Development Control was an underperforming service. The attainment of standards was necessary for securing planning delivery grant funding. Overall, the service was approximately 7-8% below targets for dealing with applications in the statutory period. The loss of key staff, primarily to the private sector, had made a large impact.

Some service problems were caused by the Development Control Manager having a caseload in addition to their management responsibilities.

A peer review of the service was conducted in April 2006, however the lack of dedicated management had meant that recommendations had not been implemented. The Business Manager stated that implementing the recommendations was a priority.

Work was being done with an accountant to identify projects where planning delivery grant money was allocated and whether the projects were completed on budget, under budget or over budget.

Key staff posts were held by external consultants. Internal staffing would strengthen the service. Staff recruited to the section would need to be of a high calibre. One danger was that staffing could become bottom heavy. There was a risk that there could be too many unskilled officers compared to professionals.

Costings for the back scanning of documents were awaited. Ongoing scanning for the planning portal was underway, as was web administration. Results of the arboricultural survey were due, which would mean that all Tree Preservation Orders could be plotted on the G.I.S. system and integrated with Land Charges.

Some team development had been done. It was anticipated that future training would be given to senior officers, who would then provide in-house training for junior members of staff.

Members of the panel briefly questioned the Business Manager. They were eager that Members were involved in some training so that they had a good comprehension of incoming legislation. It would also help officers and members work more effectively together. A meeting had been scheduled with the Chairman of the Development Control Committee for this reason.

In the short term the service priority would be achieving targets to help gain Planning Delivery Grant money, in the longer term, the main focus would be the provision of a quality service.

Issues to note for Gateway 2:

- **The Planning Delivery Grant spend should be identified.**
- **Recruitment and retention of staff should be priorities for the service.**

18. GATEWAY 2 & GATEWAY 3

The Panel agreed dates and times for Gateways 2 and 3.

Gateway 2

Tuesday 21st November 2006 at 2:00pm

Gateway 3

Wednesday 13th December 2006 at 2:00pm

19. CLOSE OF MEETING

The meeting was closed at 17:10.