MINUTES OF THE OVERVIEW AND SCRUTINY MANAGEMENT BOARD

8 JUNE 2011

PRESENT:

Members of the Board: Councillors Shera (Chairman), Mrs Bragg, Butlin, Cranham, Mrs Kaur, Mahoney, Ms Robbins, Roodhouse and Sewell

Members also in attendance: Councillor Sandison

Observers: Councillors Ms Edwards, G Francis, Gillias, Mistry, Mrs Parker and Spiers

Officers: Andrew Gabbitsas, Executive Director
Ian Davis, Executive Director
Paul Ansell, Scrutiny Officer
Debbie Dawson, Scrutiny Officer
Linn Enticott, Democratic and Scrutiny Services Officer

3. MINUTES

The minutes of the meetings held on 21 March and 19 May were approved and signed by the Chairman.

4. APOLOGIES

There were no apologies for absence.

5. DECLARATIONS OF INTEREST

Andrew Gabbitsas declared a prejudicial interest on the presentation on Renewable Energy (agenda item 5) and left the meeting during discussion of the item.

6. TO NOTE THE MINUTES OF CUSTOMER AND PARTNERSHIPS COMMITTEE AND CORPORATE PERFORMANCE COMMITTEE

The minutes of the meetings held by Customer and Partnerships Committee on 14 April and Corporate Performance Committee on 21 April were noted.

7. PRESENTATION BY THE LEADER AND THE EXECUTIVE DIRECTORS ON THE LOCALISM BILL AND RENEWABLE ENERGY

In June the Board invited the Leader of the Council and Executive Directors to give a briefing to the Board covering the Localism Bill and the corporate approach to the generation of alternative energy.
The Board received a three-part presentation by the Leader and the Executive Directors. Copies of the presentation were distributed to the Board. It was agreed all members would receive a copy of the presentation by email.

**The Localism Bill – Andrew Gabbitas, Executive Director**

Additional points and questions raised were as follows:

- The Localism Bill is a large piece of legislation due to receive royal ascent in early autumn. Many amendments have already been submitted by Government. A lot of detail is still needed and much will depend on regulations and guidance issued by the Secretary of State.

- The Community Right to Bid raises many questions about how community assets would be defined, and the extent to which such assets could include those that are privately owned.

- The reform of homelessness is aimed at allowing local authorities to meet their duty by providing quality private rented homes but some definition of how this duty is seen to be delivered would be needed.

- There is uncertainty regarding council housing finance arising from the proposed abolition of the Housing Revenue Account. If the Council needs to borrow to finance debt currently held by the Government, it could have an impact on the General Fund.

- Members questioned what impact the changes to the Standards Board would have for the council and were informed that whilst the changes would allow some freedom, a level of accountability based on some form of standards regime is still expected by the Government. Concerns were raised that the new reforms would limit the sanctions that could be imposed locally for misconduct.

- At present the new Bill is based on a general set of principles and there are many areas which require further detail adding including timings and methodology.

- There is a particular lack of clarity around community assets, how they should be defined, and how local communities could identify such assets, or re-create an area or property into becoming an asset.

**The Localism Bill, Governance Aspects – The Leader**


- Members queried whether business rate relief would be set at a local level and were informed there was still a degree of uncertainty and further details were awaited from the Secretary of State.

- The Bill set out conditions under which local referendums could be held. There would be a cost to councils for holding local referendums. Councils could be overwhelmed by demands for referendums. Clarification was needed about checks and balances to discourage malicious requests.

- It was noted that a valid petition from 5% of the whole borough electorate would be needed to hold a local referendum.
Planning Aspects of the Localism Bill – Ian Davis, Executive Director

Points raised were as follows:

- The new Bill only covers planning aspects in the broadest sense.

- A balance is needed between local and national considerations. Tensions could exist between national strategy in favour of development and neighbourhood planning which might be against. Further details on the regulations are expected. Local communities will have the same powers as parishes to draw up neighbourhood plans though definitions of what constitutes a neighbourhood are needed.

- A minimum of 21 people are required to create a neighbourhood plan but it will be for councils to put guidelines and controls in place.

- Proposed plans must not be contrary to existing strategies and policies.

- Councils will be expected to provide technical advice and support for groups preparing neighbourhood plans. The resource implications for this could be costly.

- Enforcement powers will be strengthened as councils will have the authority to refuse repeat and retrospective planning applications and it will be possible to execute enforcement powers more quickly.

- The reform to the Community Infrastructure Levy will offer greater flexibility for spending within the locality than section106 agreements have previously allowed but will not generate additional money.

- The reform of how local plans are made contains little of relevance to Rugby Borough Council [because it now has a very recently adopted Core Strategy].

- There will be a duty to co-operate with other councils on major development.

- The Infrastructure Planning Commission which deals with nationally significant proposals will be wound up and subsumed into the Planning Inspectorate. The DIRFT 3 proposal is being dealt with by this body.

- Predetermination rules are being reversed allowing councillors to express opinions on proposals and be able to vote on them.

- Councils can have regard to financial incentives in deciding applications - presumably to accommodate the New Homes Bonus.

- In addition to the Localism Bill the Government is proposing to scrap the various planning advice documents and replacing them with a single National Framework. The draft contains a presumption in favour of development, and councils must have relevant up to date plans that accommodate growth.

During discussion Members raised the following points and questions:

- Members raised concerns that community assets could be identified in an attempt to halt development and were informed that neighbourhood plans cannot be contrary to national guidance or the Core Strategy. Areas of value such as open land widely used by local people could be protected provided
no active proposed developments were in place. Councils would have powers to make considered decisions.

- Members commented that targets would cease to exist when Regional Spatial Strategies were scrapped and were informed that core strategies would still have to plan for growth and that Rugby’s Core Strategy included the level of growth needed locally.

- The Core Strategy has been endorsed following an examination in public and will now be adopted by Council.

- Concerns of land grabbing and development of greenfield sites were raised. The Board was informed that this was unlikely because the Core Strategy would give protection against it.

**Renewable Energy – Ian Davis, Executive Director**

It was noted this part of the presentation would provide an opportunity to inform members prior to consideration of the next item concerning a motion to Council on renewable energy.

The following points and comments were raised:

- Energy prices are increasing at a rapid rate. The power bill for corporate buildings is £500,000 and the council is focusing attention on efficiency and ways to use less energy. Council buildings were being monitored to measure amounts of energy used and a downward trend was becoming visible.

- The use of LED lighting could reduce energy costs by up to 60%. The use of this type of lighting in the Town Hall complex was being explored. Borrowing may be necessary to meet installation costs but this would be outweighed by the savings that could be made.

- The use of photovoltaic panels on the roof of the John Barford Car Park was being investigated.

- The Code for Sustainable Homes now exists within building regulations.

- Rugby Borough Council was the only authority to adopt higher planning policy standards than nationally set.

- As a form of renewable energy Feed-In Tariffs looked promising but these could only apply to individual households and were not applicable at a commercial level. On a larger scale the only suitable alternative was wind turbines.

- The national target for all new build housing is to be zero carbon by 2016. Members questioned how this was achievable and were informed that this would be due to the installation of the most efficient types of heating and insulation systems.

- The Board noted that the Localism Bill will change path before it becomes law in autumn. In the meantime up to date briefing notes would be produced by the LGIU and the LGA. Members requested that copies of these be made available for perusal.
The Board was invited to focus on any particular elements covered in the presentation and request more detailed information to be brought back to the meeting at a later date.

**RESOLVED THAT** – the Leader and Executive Directors be thanked for their presentations.

8. **MOTION FROM COUNCIL – RENEWABLE ENERGY**

The Board considered the report (Part 1 – agenda item 6) concerning a motion referred from Council on the subject of renewable energy.

Councillor Sandison addressed the Board and made the following points:

- A wide range of alternative types of energy exist such as hydro electric systems that could be investigated.
- Energy pylons are being installed throughout the country but their use has not been considered.
- Rugby has a greater carbon footprint than neighbouring authorities.
- There are other benefits to the use of renewable energy such as Community Benefit Funding which could be explored.
- A best practice energy scheme would be advantageous.
- Members, relevant Portfolio Holders and the Chairman of Planning Committee should work together to develop a policy for energy efficiency in new developments.

During discussion of the item the following points were made:

- The Board raised concerns regarding who would be responsible for community funding schemes and commented there was a lack of resources to manage and maintain these.
- Members commented that the council covered areas of renewable energy adequately and no further action was necessary.
- Households would look at the energy efficiency of their own homes in order to save money and with consideration to the environment
- A recent review of Multi Storey Flats had already covered this topic.
- The Supplementary Planning Document needs further development
- Members commented that an affordable warmth strategy was needed to look at fuel costs for residents on low incomes and for older properties.
- It was suggested that this topic should be scrutinised but it was pointed out that WCC were already reviewing fuel poverty and this would be duplicating work. Proposals for new scrutiny items should be submitted to the annual work programme workshop rather then being added to the work programme on the back of a motion to Council.
- A member commented that wind turbines contributed very little energy in relation to other forms. The main benefactors from these were landowners.
There was a danger that more people could be put into fuel poverty as energy costs rose.

RESOLVED THAT – no further action be taken.

9. OVERVIEW AND SCRUTINITY ANNUAL REPORT

The Board considered the report (Part 1 – agenda item 7) concerning the draft Overview and Scrutiny Annual Report 2010/11.

The following points were raised:

- The Board commented that the number of responses from members to the scrutiny evaluation survey had been very poor.
- There were several blanks in the ‘assigned to’ columns of the Action Plans 2009/10, appendix 3 to the report, which required attention.
- The Rugby Borough Council membership of the Postnatal and Antenatal Services for Teenage Parents review task group should be included.
- Members commented that some good scrutiny had taken place during 2010/11 and care should be taken in the choice of future topics to ensure value could be added.
- There was a danger of overanalyzing achievements. With current limited resources it was important to keep this simple and focus on the outcomes. Scrutiny should be based on influencing the key people that carry out the work.
- It was agreed that scrutiny officers should bring a report back to the Board at its next meeting to suggest solutions and ways forward in respect of the areas for improvement identified in section 8 of the annual report.

RESOLVED THAT – subject to minor typographical amendments and the updating of the Action Plans the draft Overview and Annual Scrutiny Annual Report be approved and submitted to Council.

10. OVERVIEW AND SCRUTINITY WORK PROGRAMME PROGRESS REPORT

The Board considered the report (Part 1 – agenda item 8) concerning the progress of task groups.

The Board reviewed the progress of overview and scrutiny task group reviews. It was noted that Customer and Partnerships Committee would also be looking at energy/warmth plans/seasonal deaths as a light touch review in November.

RESOLVED THAT – the report be noted.

CHAIRMAN
The Localism Bill

Andrew Gabbitas
8 June 2011
General Power of Competence

• Broad power for councils to do anything an individual might do – subject to limitations
• Overturns principle that may only do things that legislation permits or requires
• Not tied to benefiting the area or residents
• Cannot be used to amend constitution
• May be restricted by future legislation
Standards

• Standards Board regime and model code of conduct to be abolished
• Duty to promote and maintain high standards of conduct by members
• Councils expected to adopt their own codes of conduct
Standards – Members’ interests

• Register of interests retained – governed by regulations
• Introduction of criminal offence of failing to declare a financial interest or one specified in the regulations
Community Right to Bid

• Local authorities will be required to maintain a list of assets of community value such as meeting rooms, village shops, markets, pubs
• No definition of ‘community value’ in Bill
• Communities may nominate assets for inclusion
Community Right to Bid (2)

- When listed assets come up for sale or change of ownership, community groups will have time to develop a bid and raise the money to buy the asset when it comes on the open market.
- Unclear about details of rights of land owners, right to compensation, enforcement of provisions – will be subject of regulations.
Reforms to ensure that decisions about housing are taken locally.
Social housing allocations

• Greater freedom to councils about who may go on the waiting list
• May exclude people considered to have no need for social housing
• Councils will continue to be required to ensure that social homes go to the most vulnerable and those in most housing need
Reform of homelessness legislation

• Attempt to rectify situation whereby homeless people can refuse offers of accommodation in private sector because they want to hold out for long-term social home
• Bill proposes to let councils meet homelessness duty by providing good quality private rented homes
Council housing finance

• Currently housing rents go into a central pot and the Government divides the pot up between councils
• Councils will be able to keep all the rent from their housing and spend it on their housing stock
Social housing regulation

• Social tenants to have stronger tools to hold landlords to account
• Landlords to support tenant panels (or equivalent) to give tenants opportunity to examine services
• Tenant Services Authority to be abolished and its remaining functions transferred to the Homes and Communities Agency
• Independent Housing Ombudsman will deal with all complaints about social housing (council housing complaints currently go to Local Government Ombudsman)
The Localism Bill
Governance Aspects

Cllr Craig Humphrey
8 June 2011
Executive Arrangements

• Councils will be allowed to choose to return to the committee system and have referendums for elected mayors
• Authorities operating Executive Arrangements (either Leader and Cabinet or Executive Mayor and Cabinet) must continue to have at least one scrutiny committee
• Authorities operating a committee system may have one or more scrutiny committees
Stability period after governance change

• Cannot change governance arrangements again within five years of a resolution to change governance arrangements
• Exception: if the second resolution within the five year period is approved in a referendum
Community Right to Challenge

- Voluntary and community groups, including parish councils, will have the right to express intent to take over the running of a local service
- Secretary of State has extensive regulatory powers on who has the right to challenge and the basis on which a bid may be rejected
- Whilst right to challenge may enable community groups to put down a marker, they may lose out in procurement process to better-equipped and experienced companies
Local referendums

Conditions for holding a local referendum:

– valid petition from 5% of local electors on a local issue, and the authority determines it is appropriate to hold local referendum, or

– request from one or more council members, and the authority determines it is appropriate to hold a local referendum and passes a resolution to do so, or

– the authority passes a resolution to do so of its own volition

• Council has discretion over whether to hold a referendum
• The council will be able to take the outcome of the local referendum into account but it is not binding
Right to veto excessive council tax rises

• Government currently has the power to cap council tax if increases are excessive
• Government thinks local people are in better position than ministers to say what is fair
• Bill proposes that Government will set a ceiling on council tax rises
• If a council wants to exceed the ceiling, local people will have right to approve or veto in a referendum
• Councils to have more discretion over business rate relief
Planning Aspects of the Localism Bill + Renewable Energy

Ian Davis
8 June 2011
Local Power

• Bill aims to make good on Coalition Government proposals to give power to local communities
• How does this square with a national presumption in favour of development?
Localism Bill Planning Provisions

• Scrap Regional Spatial Strategies
• Introduce Neighbourhood Planning
  – Who can draw up neighbourhood plans?
  – What can, and can’t, be in them?
  – What issues might neighbourhood plans cause for us?
• Pre-application consultation
• Strengthening enforcement

CLEAN, GREEN & SAFE
Localism Bill
Planning Provisions (2)

• Reforming the Community Infrastructure Levy
• Reforming how Local Plans are made
• Duty to co-operate
• Nationally Significant Infrastructure Proposals
• Predetermination - relaxation
• Financial incentives as a Planning Consideration
“The Government expects the planning system to deliver the homes, businesses, industrial units etc that the country needs whilst protecting the environment”

“National financial incentives will help to ensure that local communities benefit from the increase in development that the Framework seeks to achieve”

“Planning must be positive, proactive, simple and free from bureaucratic barriers”
National Planning Policy Framework (2)

At the heart of the planning system is a presumption in favour of sustainable development....the Government is setting a clear expectation on planning authorities to plan positively to promote development. Local Plans should be prepared on the basis that objectively assessed development needs are met.

“Development proposals that accord with the Plan should be approved. Where planning policies are out of date or a plan is silent or unclear, development proposals should be approved”
Renewable Energy
What we do

• What we do with corporate buildings
• What we do with our housing stock
• What we do with Planning Policy
Corporate buildings

• Focus is on efficiency and using less fuel
• Gas, water and electricity bills = £500,000 pa
• Usable data on every building
• Smarter procurement
• Reducing energy usage
• Light fittings in multi storey
• Lighting at Town Hall?
Housing Stock

- Focus on “affordability” rather than reducing carbon footprint
- Rolling programme of loft insulation
- Energy efficient boilers
- Data built up from stock condition survey
- Tower Blocks – heat from waste? PV?
National Targets

Government targets:
• to reduce carbon emissions from 2003 levels by 80% by 2050
• 20% of energy to come from renewables by 2020
Planning Policies

• Planning Authorities must have policies to encourage low carbon usage and renewable energy generation but these can’t be in advance of national policies.
• RBC succeeded in having approved policies relating to the Sustainable Urban Extensions in its Core Strategy that are in advance of national targets. Unique?
Renewable Generation

• Lots of micro schemes but at commercial level this means wind turbines
• 2010 Warwickshire Feasibility Study suggested 25-48 turbines in Rugby Borough
• Landscape Capacity Study narrows this down identifying 3 potential areas – 2 of which are practical:
  – High Cross Plateau
  – Feldon Vale Farmlands
• Feldon probably doesn’t have good enough National Grid connections
• Currently have an application for 9 turbines near Churchover, and one awaited near Copston Magna