

ENVIRONMENT AND ECONOMY OVERVIEW AND SCRUTINY PANEL

THURSDAY 28 JULY 2011 AT 10.00 AM

PRESENT: Councillor Mrs Rutherford (Chairman), Councillors Allison (as substitute for Councillor Mrs Farmer) Bowditch, Craig, Mrs Robson, Mrs Vasey and Watson

ALSO

PRESENT: Councillor Bloxham – Environment and Housing Portfolio Holder
Councillor Mrs Bowman – Economic Development Portfolio Holder

EEOSP.41/11 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors Mrs Farmer and McDevitt.

EEOSP.42/11 DECLARATIONS OF INTEREST

There were no declarations of interest affecting the business to be transacted at the meeting.

EEOSP.43/11 MINUTES OF PREVIOUS MEETING

RESOLVED – 1) That the minutes of the meetings held on 7 April 2011 be agreed as a correct record of the meeting and signed by the Chairman.

EEOSP.44/11 CALL IN OF DECISIONS

There were no matters that had been the subject of call in.

EEOSP.45/11 OVERVIEW REPORT INCORPORATING THE WORK PROGRAMME AND FORWARD PLAN ITEMS

The Scrutiny Officer (Mrs Edwards) presented report OS.21/11 providing an overview of matters related to the Environment and Economy Overview and Scrutiny Panel's work. Details of the latest version of the work programme were also included.

Mrs Edwards reported that:

- The Forward Plan of the Executive covering the period 1 July 2011 to 31 October 2011 was published on 17 June 2011. The issues that fell within the remit of the Panel were:

- KD.013/11 – Core Strategy – Issues and Options Paper
- KD.018/11 – Cumbria Strategic Waste Partnership Enhanced Working Project – conclusions of Stage 1
- KD.020/11 – Sustainable Energy Strategy

The above items were included in the agenda for the meeting.

- KD.015/11 – Parking Connect – The report would be available for consideration by the Panel at their meeting on 8 September 2011
- KD.019/11 – Highways Claimed Rights - Mrs Edwards advised that a workshop for Members would be held at the rise of the meeting of the Panel on 8 September 2011 to consider the item which would then be available for consideration at the meeting of the Executive on 26 September 2011. The matter would then be considered by the Panel at their meeting on 20 October 2011.

The following issues had been considered by the Executive at their meeting on 27 June 2011:

EX.072/11 – Reference from the Environment & Economy Overview and Scrutiny Panel – Connect 2 Cycleway

Minute Excerpt EX.072/11 was submitted setting out the decision of the Executive on 27 June 2011

The Executive had decided:

“1. That the reference from the Environment and Economy Overview and Scrutiny Panel be received.”

- *Had there been any feedback from Sustrans? What was being done to ensure the matter was progressed?*

The Environment and Housing Portfolio Holder advised that there had been no feedback from Sustrans. He further advised that the Assistant Director (Local Environment) (Ms Culleton) would be writing again to Sustrans on conclusion of an internal audit on the matter.

- *A Member was disappointed that Sustrans could withdraw funding part way through a project. He believed that the Council should ensure that in future a firm contract be put in place.*

The Strategic Director (Mr Crossley) stated that the National Lottery Commission had a right of appeal procedure but there was none for Sustrans therefore the Council had no recourse following their decision to withdraw funding. He believed that the internal audit would indicate that there was no body to hold Sustrans to account for their actions.

- *The public perception was that the Council had stopped the project and their angst was against the Council and the Environment and Housing Portfolio Holder in particular. There needed to be some recourse to put that situation right.*
- *Sustrans nationally had not been as open as it should have been and the local branch of Sustrans may not believe that the Council had followed their part in the project.*

The Environment and Housing Portfolio Holder stated that he was disappointed in the way the project had been handled by Sustrans and a letter had been written to the National Lottery Commission; the next steps now depended on Sustrans. The internal audit would look at the process from the start and once completed would indicate a way forward and the next steps. The majority of the project had been completed apart from a section that was outwith the City Council's control. However there had been no funding received from Sustrans although the project should have been paid in staged payments.

EX.071/11 – Reference from the Environment & Economy Overview and Scrutiny Panel – Carlisle Tourism Partnership

Minute Excerpt EX.071/11 was submitted setting out the decision of the Executive on 27 June 2011.

The Executive had decided:

- “1. That the reference from the Environment and Economy Overview and Scrutiny Panel be received.
2. That, in the light of the concerns expressed, the Executive suggested that the Panel may wish to give more detailed consideration to the issue of signage in car parks and around the City Centre.”

Mrs Edwards informed Members that the Scrutiny Chairs Group had met on 5 July 2011. It was agreed that a proper scoping exercise should be carried out at the start of any Task and Finish Group to ensure the purpose of the group and the direction the work should take. It had often been assumed in the past that the work of Task and Finish Groups should be presented to the Executive. It was clear however that there were circumstances when the findings of a group identified an operational issue rather than a policy issue and should therefore go directly to the relevant officers for action.

The Chairs Group also agreed the Terms of Reference for tripartite meetings. It was agreed that Scrutiny Panels would hold a development session within the first quarter of the year and tripartite meetings would be held in the other three quarters.

The Panel had held its annual development session on 23 June 2011. The work that had been agreed was included in the work programme. Members agreed to approve the notes of the session.

Mrs Edwards reminded Members that there would be a Task and Finish Group meeting looking at the Carlisle Enterprise Centre at the rise of the meeting. Councillors Craig, Mrs Farmer, Mrs Rutherford and Mrs Vasey were appointed to that Task Group.

- *There had been a suggestion from the Resources Overview and Scrutiny Panel to look at the Lanes and the drop in income. Mrs Edwards advised that that work would be covered in the economy workshop scheduled for the Autumn.*
- *Councillor Rutherford, the Chair of Community Overview and Scrutiny Panel (Councillor Luckley) and the Assistant Director (Community Engagement) (Mr Gerrard) would be looking at the alignment of the Overview and Scrutiny Panels against the Portfolio areas. The Panel agreed that Councillor Rutherford be authorised to work with Councillor Luckley and officers on that issue.*

RESOLVED: 1) That, subject to the issues raised above, the Overview Report incorporating the Work Programme and Forward Plan items relevant to this Panel be noted.

EEOSP.46/11 CORE STRATEGY

The Planning Manager (Mr Hardman) submitted report ED.24/11 which set out the draft Core Strategy Issues and Options paper on which a 6 weeks public consultation period was scheduled to commence on 19 September 2011. The Issues and Options paper represented the first statutory stage of the Carlisle District Core Strategy, which as part of the Carlisle Local Development Framework would ultimately replace the Carlisle District Local Plan. It set out what kind of place the Carlisle area would be in the future and identified a wide range of issues that the Core Strategy would need to cover. In order to ascertain the best way to address those issues effectively the document highlighted a range of spatial planning options that could be taken forward in the future. Feedback from the consultation already undertaken had helped to refine the issues and informed the range of options presented in the report.

Following consultation on the Issues and Options paper, the next stage would be the preparation of the Preferred Options to reflect the evolving evidence base and the consultation responses. The sustainability appraisal was currently being prepared in tandem with the Issues and Options Paper.

Mr Hardman explained that consultation was undertaken between 3 January 2011 and 14 March 2011 and almost 1500 responses had been received from a range of bodies and individuals including the public, private and third sector. Mr Hardman highlighted the range of consultation that had been undertaken. The main issues raised during the consultation had been included in the Issues and Options paper which raised the issues and explored a range of options for dealing with them. Views were also sought on the Vision for Carlisle District and it was hoped that the consultation would be a valuable exercise in identifying the preferred approach to tackle the spatial planning issues affecting the Carlisle District to 2030 and meet the objectives of the Carlisle's Vision.

Issues not related to planning issues that had been raised included policing and antisocial behaviour, environmental cleanliness and youth issues. Mr Hardman advised that those issues would not be addressed in the Core Strategy but would be passed on to the relevant bodies with the remit for dealing with those matters.

More recent consultation had involved an officer stakeholder workshop on 25 May 2011 that included officers from the County Council, and the Members' LDF Working Group on 26 May 2011 which had discussed topics from a draft Issues and Options paper.

Mr Hardman recommended that the Panel's findings would be incorporated into an amended report to be presented to the Executive on 30 August 2011 in order to finalise the Issues and Options paper for referral to Council on 13 September 2011 for approval of public consultation. Mr Hardman advised that it was proposed that a 6 week period of consultation was undertaken starting from 19 September 2011.

Mr Hardman gave a presentation of the Issues and Options Paper that had previously been presented to the Local Development Framework Working Group. The presentation looked at the timescales for the programme, the key issues and the issues and options for each of those issues. Mr Hardman advised that all comments from the consultation had been taken into account and that the Vision had been amended and was now more concise. The consultation had identified 4 specific issues which were Botchergate, theatre, airport and the university and the Core Strategy would ask questions on how the people wanted those issues dealt with.

Mr Hardman then went through the key issues – housing, employment, environment/biodiversity, climate change, rural issues, city centre/retail and heritage and culture. In respect of housing Mr Hardman stated that the main question was whether there should be a target level and if so how the level would be set.

- *The reports talked about sustainability. That was not solely a green issue and was different in rural areas. Therefore the questions should not be too specific.*

Mr Crossley reminded Members that the glossary explained sustainability as an assessment tool to ensure an equal and fair balance across the district.

- *A Member believed that sustainability should also refer to jobs and ensure that existing employment was retained.*

Mr Hardman explained that that issue was covered in the section on employment and that existing employment was important but that there were difficulties in planning as often the land was outside Council control. The consultation would be fed in to ensure the strategy was right on future plans.

- *What was the current housing build rate?*

Mr Hardman explained that there was currently a 4 year supply of housing land with a projected 1800 units over 5 years. The current build rate was approximately 300 per year. He advised that the target was based on a 20 year plan and that there

would be peaks and troughs during that time and that the figures were realistic at the present time.

- *Were the housing targets the total number of houses or different types?*

Mr Hardman explained that the target covered a range of properties and was in general open market housing. He advised that with regard to affordable housing there was a variable threshold for smaller developments.

In relation to health and well-being jobs were an important issue as lack of jobs could lead to poverty which had an impact on people's health and well-being.

With regard to the economy Mr Hardman explained that there was a 20 year strategy and the Core Strategy would look at how to ensure there were sufficient employment sites. Education provision was integral to that issue with regard to future skills that was linked to the college and university.

- *There had been an increase in the number of academies in the city but there had also been a reduction in salaries among the lower paid in those academies. While the City Council had no influence over those salaries the impact did affect the City Council.*

Mr Hardman explained that the West Coast Master Plan would impact on Carlisle and renewable energy would link in to that issue. The Core Strategy would need to look at how the City Council could support the energy schemes.

- *It was obvious that things were changing with regard to green issues and a lot of what had already happened had been heavily subsidised. How would that funding be returned? Would it be better to be less specific in the Core Strategy?*

The Environment and Housing Portfolio Holder advised that it was important that the Council was seen to have an opinion on green issues and stressed that the issues affected the whole of Cumbria. There were many innovative ideas around energy and he believed that it would be better to be specific within the Strategy.

- *Why were the education questions all based on higher education?*

Mr Hardman explained that the Education Authority had its own strategy for primary and secondary education but the Core Strategy would need to make provision for schools. Officers would be involved in that provision and would keep Members informed as the strategy progressed.

- *There were links to the Core Strategy as Carlisle aspired to be a university city and it was important that appropriate employment was brought in to encourage the university status.*

- *The wording of QE5 could be phrased better. Was QE7 a steering question?*

Mr Hardman agreed to review the wording of QE5. He added that the issues around QE7 were based on Government policy.

A member of the public stated that Rickergate was not mentioned in the report and queried whether it was a strategic site. Mr Hardman explained that it had not been mentioned at all in the report but that it may be included at a later stage. The report did not define how extensive the City Centre was as that would depend on the result of the consultation in which the public would be involved.

With regard to retail it was agreed that it would be useful to include the sizes of various stores included in the glossary to assist members of the public. Mr Hardman stated that Carlisle had some excellent assets but it was not clear what impact internet shopping would have.

- *How valid was the 2009 Retail Shopping Survey to the current consultation?*

Mr Hardman explained that the 2009 study would be updated. Referring to recent press coverage on vacant shops, officers had carried out their own survey and had reached a different conclusion which had been confusing. Officers had to act on the best evidence to set the options paper which would be presented to Members at a future meeting. Recent indicators on internet shopping had been difficult to quantify but that issue would be raised again as part of the project.

- *QR1 used the word “still” within the second bullet point. That was backward looking and should be removed.*

Mr Hardman agreed to look at that question. He advised that the issues of rural shopping had been left open ended as it was difficult to assess and communities may wish to develop rural shopping for themselves.

With regard to climate change Mr Hardman advised that the Strategic Flood Risk Assessment was being updated to be more robust and Officers were working with the Environment Agency to update the information. He stated that the question for Officers was whether biodiversity and habitat protection was set at a Cumbria wide level or at a more local level. Mr Hardman explained that the Green Infrastructure Strategy was a separate strategy that would include the river corridors. A workshop had been held to assist the development of the Green Infrastructure Strategy and Mr Hardman advised that more work was needed on options and questions.

Members agreed that they were satisfied with the questions in the sections relating to landscape and tourism, heritage and culture.

There was discussion around the need for a 4 star hotel and conferencing centre in Carlisle.

- *A Member objected to the idea that the Culture bid had raised the profile of the City as the issues had been discussed over the previous 20 years yet there was still no firm decision made.*

Mr Hardman explained that the strategy had attempted to cover all options at different levels that would maintain the identity of the City but allow it to develop.

Mr Hardman advised that once the questions had been through the committee process the strategy would be passed to the communications unit for their views on the format of the document and the text to ensure it was clear and understandable. In the past Officers had “tested” documents on non-planning officers and also passed to summer students and people on work experience for their opinion.

- *Would there be a shorter version of the strategy available?*

Mr Hardman advised that the strategy would be available on the internet and Officers had looked at using a similar format to that which the Government used for large documents. There would be a press release and publicity to encourage people to take an interest in the strategy.

- *Was it possible to view the 1400 responses from the consultation?*

Mr Hardman advised that the information was available on a database and could be obtained from Officers if required.

RESOLVED – 1) That the Panel were happy with the questions listed subject to the amendments suggested by Members.

2) That the strategy should put an emphasis on employment opportunities that already existed and protect current jobs

2) There were questions about the readability of the document and Officers were to look at the text, abbreviations and the format to reduce the bulk of the document.

EEOSP.47/11 SUSTAINABLE ENERGY STRATEGY

The Buildings and Facilities Manager (Mr Kay) submitted report LE.18/11 that provided details of the Council’s opportunities for investment in renewable energy projects by taking advantage of the feed-in-tariff for micro-generation.

Mr Kay explained that there were opportunities available for a limited time that may assist the City Council to achieve some of its objectives in relation to climate change, energy conservation and “invest to save” projects. The main driver for those was the Government’s “Feed-in-Tariff” scheme and the “Renewable Heat Incentive”. That was an incentive scheme to encourage property owners to invest in renewable energy and micro-generation projects. Mr Kay informed Members of the different types of schemes for which the Feed-in-Tariff and the Renewable Heat Incentive were available. He added that once the quota for renewable energy production had been reached it was likely that the scheme would be stopped or the tariff reduced. As the current micro-generation scheme would run until April 2012 it was recommended that prompt action was taken, particularly in respect of solar photovoltaic projects.

Mr Kay stated that the Council’s Asset Review would identify where income had stagnated and would seek to re-invest in more productive schemes. The liquidation

of those assets would provide a funding opportunity for the renewable energy projects.

With regard to consultation, Mr Kay advised that a specialist renewable energy and climate change consultant had delivered a presentation to Officers on how Councils could take advantage of the Feed-in-Tariff. He had attended several workshops on renewable energy projects and the Feed-in-Tariff. Tenders had been invited and received from specialist consultancies to carry out feasibility studies on selected properties and prepare a specification for solar photovoltaic installations. If the proposal was approved then the consultants would advise on the viability and expected returns on each project.

Mr Kay advised Members on the hydro turbine scheme at Holme Head Bay. He added that the scheme would be too large for the Council to take up without partnership but explained that a feasibility study was to be undertaken. Mr Kay also informed Members that the boiler at Longtown Community Centre could be replaced with a wood burning boiler.

In considering the report Members raised the following comments and questions:

- *The Sustainable Energy Strategy seemed to be a list of potential projects.*

The Environment and Housing Portfolio Holder advised that the strategy had been considered by the Executive 12-18 months ago. A number of projects that had been completed were highlighted. Mr Kay believed that the current strategy was an extension of that work and that the use of solar photovoltaic cells on the roof of the civic centre would reduce energy costs. The Holme Head Bay hydro project indicated that there were alternatives to wind power and the Environment Agency were keen to be involved in such a scheme. He stated that a feasibility study was needed that would give the opportunity to a look at other areas of water that could be used similarly. Mr Kay suggested that community groups may also be interested in the scheme.

- *How optimistic were Officers about sourcing funding for such schemes?*

The Environment and Housing Portfolio Holder advised that there were organisations that were willing to fund such schemes and he believed that the local community would also wish to be involved.

- *What financial burden would there be on Denton Holme Community Centre if the Holme Head bay scheme went ahead?*

The Environment and Housing Portfolio Holder stated that the Community Centre could invest in the turbine but in any event the electricity would be used in the community as a whole but added that a feasibility study was needed before a decision was made.

- *There should be a feasibility study into photovoltaic cells with the roof of the Civic Centre being leased to house them. That way the council would benefit from free electricity.*

Mr Kay advised that the Council would benefit from the Feed-In-Tariff scheme but added that it would require a 25 year commitment. The current window for that scheme would end in March 2012 after which the scheme would be reviewed or scrapped.

- *Would the project have to be completed by the end of March 2012 to qualify?*

Mr Kay advised that that was the case so it was essential that Officers moved swiftly. Of the Council's 18 properties 6 or 7 were obvious properties for the scheme. Once the feasibility study had been completed the information would be brought back to Members.

It was hoped that once the feasibility study was completed, if approved and funding was available, that the work on the Holme Head Bay scheme would commence as quickly as possible. Any excess energy generated would go back into the National Grid and any profit would be shared with any partners in the scheme.

- *Was it likely that the scheme would be ongoing?*

Mr Kay advised that the schemes would be reviewed when the new tariffs were published.

- *A Member hoped that the Executive would act quickly to realise assets to enable the schemes to be undertaken.*

The Environment and Housing Portfolio Holder agreed and advised that initial discussions with the Executive had been favourable. It was also unclear whether money could be diverted from some of the Council's capital projects if they did not progress.

- *The Holme Head Bay scheme would be good but expensive and would take less than 10 years to regain any of the funding. The Member asked whether Officers had looked at ground source heating as he believed that to be a worthwhile scheme. The Member also believed that solar panels would be more efficient than photovoltaic panels as they were more efficient.*

Mr Kay explained that technology had improved over the years and Officers had investigated the photovoltaic panels and with the Feed-in-Tariff there would be a return within 10 years with the tariff guaranteed for 25 years. With regard to the Holme Head Bay scheme there were the technological and financial feasibility studies to be undertaken. The study would look at the connection to the National Grid, ownership of the land for the turbine and the development capital. He believed that once those issues had been resolved people would be keen to invest in the scheme.

RESOLVED: 1) That Report LE.18/11 be noted and the recommendations as set out in the report approved.

2) That a further report be brought back to the Panel when the feasibility study had been completed on condition that that did not delay the project.

EEOSP.48/11 CUMBRIA STRATEGIC WASTE PARTNERSHIP ENHANCED PARTNERSHIP WORKING PROJECT

The Waste Service Manager (Mr Gardner) presented report LE.17/11 that summarised the conclusions of Stage 1 of the Cumbria Strategic Waste Partnership's "Enhanced Partnership Working Project" and outlined the work to be undertaken in Stage 2. The Executive had approved the Council's participation in the Project at their meeting on 14 March 2011.

Mr Gardner gave the background to the Enhanced Partnership Working (EPW) Project and explained that, given the value of municipal waste management across Cumbria, both in financial terms and as a service provided to every household in the county, the outcomes of the project were potentially significant to the City Council. The City Council was represented on the EPW Project Board by the Environment and Housing Portfolio Holder and on the Project Delivery team by the Assistant Director (Local Environment) (Ms Culleton).

Mr Gardner explained that Stage 1 of the EPW Project had produced a Project Plan, a Vision Statement, Project Elements and a Memorandum of Understanding. Stage 2 of the Project would appraise and evaluate the 11 separate project elements against 4 key criteria. The results of the appraisal and evaluation would be presented to the EPW Project Board at its meeting on 12 October 2011. In addition to receiving the evaluation report detailing the outcomes of the evaluation, the Carlisle Strategic Waste Partnership would receive an outline implementation business case for each project element. Mr Gardner summarised the key milestones for the project.

The Environment and Housing Portfolio Holder advised that there was a typographical error in Appendix 2 to the report. The first paragraph on Page 9 of the appendix should read "The opinion emanating from the members workshop held on 2nd June was to ensure that residual waste in Cumbria does not exceed this capacity."

The Environment and Housing Portfolio Holder stated that the report followed the first report that was submitted previously. He was pleased that the Chair of the Panel had attended the first meeting of the EPW project and that she would be attending the next meeting as it enabled a continuity with scrutiny. The Portfolio Holder advised that each district and the County Council would be looking at the project to determine whether they were prepared to undertake waste management according to the suggestions made by the partnership group. He also believed that procurement should be investigated further.

The Portfolio Holder added that the fortnightly waste collection had been successful in Carlisle and stated that whatever recommendations were made by enhanced partnership working that service would not be diminished.

In considering the report Members raised the following comments and questions:

- *Was the partnership the same as had been reported some time ago as being not so enthusiastic?*

Mr Gardner advised that that referred to the Joint Municipal Waste Management Strategy who were looking at a common method of collection. The current partnership was looking at efficiencies and economies of scale and opportunities to make savings.

- *A meeting between Overview and Scrutiny Members, Portfolio Holders and Officers indicated a general will to make some projects work but there was scope for economies of scale.*

The Environment and Housing Portfolio Holder stated that the Partnership had several new Members who had shown a lot of interest in the project. A lot of the initial interest in the work of the Partnership had diminished due to the lack of funding available but it was hoped that the Enhanced Partnership Working project would identify savings.

In response to a request from a Member Mr Gardner explained the Governance diagram within the report and informed Members that the process enabled access to the Chief Executive and Leaders' Groups that would enable the Executive Committees of the Councils to make informed decisions.

- *As most of the districts worked in different ways would it be possible to have a disparate method of operation initially with a view to looking into ways of the partnership working as a single entity once the project was underway?*

The Environment and Housing Portfolio Holder advised that that was what the enhanced working project related to. He stated that some Councils would have contracts with providers and therefore it would take several years for contracts to expire otherwise there could be high exit costs for Councils.

Mr Gardner explained that the Enhanced Partnership Working project included 11 separate 'project elements' and whilst a 'common method of collection' was an aim, of the Partnership, the success of the Enhanced Partnership Working project did not solely depend on that alone. For example, one of the projects looked at maximising and sharing the benefits of expected spare treatment capacity. If the City Council continued to reduce the amount of non-recyclable waste there would be less sent to the new waste treatment facility. That spare capacity could be sold on to other councils and the partnership as a whole would benefit.

- *The report was for information rather than scrutiny but would a further report be submitted in the future when there was a project that was relevant to the Council?*

Mr Gardner indicated that the timetable within the report highlighted that further information would be available following the EPW meeting on 12 October 2011.

- *What happened to the end product from the Mechanical and Biological Treatment plant?*

Mr Gardner explained that the end product was turned into pelletised fuel that was sold on to energy intensive industries.

RESOLVED – 1) That the Panel noted the report and received the conclusions of Stage 1 of the Cumbria Strategic Waste Partnership's Enhanced Partnership Working Project.

2) That the conclusions of Stage 2 of the Cumbria Strategic Waste Partnership's Enhanced Partnership Working Project be reported to a future meeting of the Executive.

3) That the panel looked forward to a detailed workshop session in the autumn/winter.

4) That arrangements be made for Panel Members to visit the new waste treatment facility.

EEOSP.49/11 – STANDING ORDERS

During consideration of the above Item of Business, it was noted that the meeting had been in progress for 3 hours and it was moved, seconded and RESOLVED that Council Procedure Rule 9, in relation to the duration of meetings be suspended in order that the meeting could continue over the time limits of 3 hours.

(The meeting ended at 1:00)