



To be submitted to the Council at its meeting on 14th December 2023

ECONOMY SCRUTINY PANEL

7th November 2023 at 6.30pm

Present:

Councillor Freeston (in the Chair)
Councillors Cairns, Holland, Hudson, Wilson and Wheatley.

Officers in attendance:

- Richard Dowson (Head of Project Management)
- Paul Evans (Assistant Director Infrastructure, Housing, Highways and Transport)
- Jonathan Ford (Senior Transport Officer – Equans)
- Damien Jaines-White (Assistant Director Regeneration)
- Simon Jones (Assistant Director Law and Governance)
- Martin Lear (Principal Transport Officer – Equans)
- Guy Lonsdale (Deputy Section 151 Officer)
- Jacqui Wells (Head of Housing Strategy)
- Paul Windley (Democratic and Scrutiny Team Manager)

Also in attendance:

- Councillor Harness (Portfolio Holder Finance, Resources and Assets)
- Councillor Jackson (Leader of the Council and Portfolio Holder Economy, Net Zero, Skills and Housing)
- Councillor S Swinburn (Portfolio Holder for Environment and Transport)
- Alex Hyams (Queensberry)

There were three members of the public present.

SPE.25 APOLOGIES FOR ABSENCE

Apologies for absence from this meeting were received from Councillor Sandford.

The Chair welcomed Paul Evans, the Assistant Director Infrastructure, Housing, Highways and Transport, to his first meeting of this panel since joining the council. The Chair also

advised that agenda items relating to Housing Delivery and the Strategic Housing Market Needs Assessment had been deferred for potential consideration at a future meeting of this panel.

SPE.26 DECLARATIONS OF INTEREST

There were no declarations of interest received in respect of any item on the agenda for this meeting.

SPE.27 MINUTES

RESOLVED – That the minutes of the meetings of the Economy Scrutiny Panel held on the 12th September 2023 be agreed as a correct record.

SPE.28 QUESTION TIME

There were no questions from members of the public for this meeting.

SPE.29 FORWARD PLAN

The panel received the published forward plan and members were asked to identify any items for examination by this panel via the pre-decision call-in procedure.

The panel noted that the Local Plan Review was due to be considered by Cabinet at its meeting in December 2023 and agreed that a special meeting of this panel be called for pre-decision scrutiny of this item.

RESOLVED –

1. That the forward plan be noted.
2. That a special meeting of this panel be held in December 2023 for pre-decision scrutiny of the Local Plan Review.

SPE.30 NORTH EAST LINCOLNSHIRE HOUSING STRATEGY 2023-28

The panel received a report from the Director Economy, Environment and Infrastructure on the above. The report asked members to review the policy and provide feedback, which would be considered within the consultation process.

The panel raised the following matters:

- The context for the loss of 900 affordable homes through demolition or disposal.

- Target dates for actions within the strategy, particularly with regard to provision of extra care units.
- Did the council have sufficient resource to delivery everything within the strategy?
- How would housing issues faced by 16-25 year old care leavers be included in the strategy?
- The impact of 'no fault evictions' on homelessness in the area.

Ms Wells provided background for the loss of affordable homes, noting that this was largely the result of demolitions and stock not being replaced, for example the high rise flats on the East Marsh. Otherwise, there was nothing out of the ordinary. Once the Housing Strategy had been approved, an action plan would be developed to include target dates, and this would be brought back to this panel. It was noted that the council may not have sufficient resources to deliver everything but it was important to make a start. Ms Wells commented that the strategy referred to the importance of access for all but 16-25 year olds would be picked up in the Housing With Care Strategy. On homelessness, Ms Wells noted interest in buying in to a 'call before you serve' scheme in order to avoid evictions.

RESOLVED – That the Housing Strategy, and the issues raised by this panel, be noted.

SPE.31 HOUSING DELIVERY

This item was deferred for potential consideration at a future meeting of this panel.

SPE.32 STRATEGIC HOUSING MARKET NEEDS ASSESSMENT

This item was deferred for potential consideration at a future meeting of this panel.

SPE.33 FRESHNEY PLACE MANAGEMENT PLAN AND REPORT

The panel considered a report providing a review of the first 12 months of the council's ownership of Freshney Place. This report was presented to the panel prior to consideration by the Freshney Place Cabinet Sub Committee on 15th November 2023.

A panel member sought clarification of the rationale behind attracting non-retail uses, such as the proposed community diagnostics centre, and asked what analysis had been undertaken.

Mr Jaines-White explained that this was not a unique proposal and noted that it was anticipated that there would be 80k patient visits per annum. If each patient brought one person with them then that could potentially bring 160k visits to Freshney Place with the likelihood that they would then spend money within the stores.

The Chair hoped that lessons had been learnt from last year in the lead up to this year's Christmas period.

Mr Hymes referred to a more commercialised approach and a number of events were planned, including the Christmas lights switch on. He added that a number of short-term lets were being pursued.

A panel member felt that anti-social behaviour in the area was a matter that needed to be addressed. There was also an enquiry about whether net income from the centre would be ring-fenced or form part of the council's revenue budget.

Mr Lonsdale responded that the wider development was included within the council's capital programme and there would be borrowing costs. However, it was anticipated that there would be a net operating income in the region of £1m which would be built into the overall council budget and the medium term financial plan.

The panel member noted rental income over the past 12 months and enquired whether operating costs were also available. It was agreed that a briefing note would be circulated to this panel in response to this.

A panel member enquired about confidence levels with regard to retaining existing leases that were coming to an end.

Mr Jaines-White confirmed that confidence levels were relatively high but the reality was that rental levels were no longer the same and there was a need to be appropriately commercial in our response. Mr Hymes added that he was cautiously confident that targets would be achieved.

The Chair commented on the largely positive aspects of the report and welcomed the progress that had been made.

RESOLVED –

1. That the report be noted.
2. That a briefing note be provided to members of this panel setting out the operating costs for Freshney Place over the first 12 months of the council's ownership.

SPE.34 BUS SERVICE IMPROVEMENT PLAN AND PARTNERSHIP

The panel received a briefing note that provided an update and next steps on the above. This update was ahead of future pre-decision scrutiny likely to take place in February 2024.

The Chair welcomed the £2 maximum fare scheme and enquired whether this was a national scheme.

Mr Ford confirmed that this was an England-wide scheme. He added that additional Bus Service Improvement Plan funding had been awarded and a £1 scheme for travel after 6pm and at weekend was being looked at. Councillor Swinburn noted that this proposed scheme would just be for this area rather than nationally.

A panel member enquired about bids to fund the purchase of electric buses. It was noted that Bus Service Improvement Plan funding could not be utilised for this. There were separate funding schemes for this, but this would require a significant financial contribution that was currently unaffordable. A previous bid for this area had been rejected but it remained on the shelf should any further opportunities arise. The panel member asked if a briefing note could be provided to explain how this had been explored by the authority.

RESOLVED –

1. That the briefing paper be noted.
2. That a briefing note be provided to members of this panel explaining how bus electrification had been explored by this authority.

SPE.35 TRACKING THE RECOMMENDATIONS OF SCRUTINY

The panel received a report from the Statutory Scrutiny Officer (Assistant Chief Executive) tracking the recommendations of the Economy Scrutiny Panel.

At SPE.37 (Local Plan Review), it was noted that an all member session on the Local Plan was currently being planned for early December 2023.

At SPE.20 (Gypsy and Traveller Negotiated Stopover Sites), the Chair enquired whether there had been any further stopovers in the area. It was confirmed that there had not.

RESOLVED – That the tracking report be noted and all actions marked as complete be removed from future tracking reports.

SPE.36 QUESTIONS TO PORTFOLIO HOLDER

Councillor Holland submitted the following questions for the Portfolio Holder for Environment and Transport:

Way back in 2018 it was known that there were serious problems with corrosion of the supporting structures of Corporation Bridge. The Scope of Work issued by Equans issued in 2021 stated that due to the age of the structure, its materials and the aggressive environment, many elements of the structure are deteriorating. It identified widespread corrosion and section loss of the below deck elements including the structural girders.

The first stage of the contract awarded to the Spencer Group in May 2022 was for the detailed design of the work with delivery estimated to be August 2023.

Following detailed design of the work, refurbishment commenced in February 2023, with an expected completion of December. In October 2023, some 8 months after commencement of works and 2 months prior to completion it was announced that the condition underneath the bridge was ‘in a significantly worse condition underneath than initially indicated in the tender inspection carried out’. No updated estimate has since been made with respect to completion date and according to a report from The New Civil Engineer, ‘A spokesman for NELC added that “Any change in costs is unknown at this stage until full surveys and inspections have been carried out”’.

Chunks of my career in the marine industry over 40 years were spent inspecting corroded steel structures and making survey reports. I find it inconceivable that 2 months before the end of an 18 month contract that large amounts of previously unidentified work scope are discovered which indefinitely prolong the project, particularly given that the first stage of the contract was to produce detailed design of the work. My questions are:

1. Is Equans still project managing the refurbishment project on behalf of NELC?

Councillor S Swinburn, Portfolio Holder for Environment and Transport responded that Equans was project managing the project on behalf of the council. The project management followed the council's agreed project management process and a project team and project board have been established. Additional to project managing the project, Equans were undertaking the site agent function, which was managing the Principal Contractor employed by the Council.

2. *When were Equans/NELC first aware of significant delays to the re-opening of the bridge?*

Councillor Swinburn responded that the project had a number of critical path dates which identified when key information would be available on the different elements of the refurbishment works, to inform on key decisions. The different elements of the refurbishment work included the upper deck, motor room, handrails and the underside of the bridge deck. The first critical path was mid-August 2023. At this stage the first span of the underside of the bridge was inspected via scaffolding access and it was identified that the condition of the steels had deteriorated to a greater extent than originally believed. The original inspection was undertaken in 2018 and this identified deterioration, though not all beams were inspected intrusively due to access availability (this was normal practice as an initial condition assessment).

The Principal Contractor was behind programme with some of the other elements of works. Discussions had been ongoing with the Principal Contractor to bring the programme for those elements back on target.

When the condition of the first span was known, in late August, a decision was made to undertake additional surveys of the remaining five spans of the bridge. The Principal Contractor was asked to obtain costs and availability from their suppliers for undertaking the surveys and confirm their availability for this.

An update was provided to senior managers in August 2023 on the findings of the survey of span one underneath. What was not known at that time, was when the Principal Contractor would know the costs and availability from their suppliers to undertake the additional surveys. The Principal Contractor confirmed on 18th September 2023 that their supplier would take 12 weeks to complete the surveys. The Principal Contractor then had to procure a supplier followed by a lead in period for the supplier to undertake the surveys.

Once this was known, senior managers and members were briefed on the position and the options available. A decision was made to progress with the additional surveys, and this work started on 25th September 2023 with detailed findings to be provided on 18th December 2023.

3. *Did the contractor issue weekly project updates to Equans/the council from mobilisation to site onwards and were these passed to the Portfolio Holder?*

Councillor Swinburn responded that monthly reports had been provided by the Principal Contractor to Equans. These had been reviewed and discussed in the Project Team and Board meetings. He had received regular verbal updates, but copies of the monthly reports had not been shared with him as this was an operational matter for the Project Team and Board to consider.

4. Can the Portfolio Holder give an assurance that value of the contract will not be varied without the matter first coming back to this Scrutiny panel?

Councillor Swinburn responded that details of the additional surveys and the costed findings would be known on 18th December 2023. This would be reviewed by the Project Team to consider which elements were critical, essential and or nice to complete. Once the review had been undertaken, an update would be shared with the Project Board for consideration and approval on the approach. To mitigate any delay from the decision making to approve any additional cost, a report would be considered by Cabinet on 15th November 2023 to provide delegated approval of any additional funding. A delay with decision making on the findings of the report would potentially incur delays to the programme, in particular the lead in time for purchasing replacement steels and the installation.

5. When will an announcement be made indicating a revised bridge re-opening date so that local businesses can plan accordingly?

Councillor Swinburn responded that this would be in quarter one of 2024.

SPE.37 CALL-IN – ST NICHOLAS DRIVE PETITION

The panel considered a call-in from Councillors Holland and Downes of the decision taken by the Portfolio Holder for Environment and Transport on 23rd October 2023 regarding a request for a zebra crossing on St Nicholas Drive in Grimsby.

The Chair invited Councillor Holland to summarise the reasons for the call-in.

Councillor Holland provided background to the request for the crossing and noted the ongoing concerns of the local community, including an example from a young mother of a 'near miss' from a speeding vehicle. He felt that the decision had been made on the basis of flawed survey information and urged the panel to listen to local residents.

The Chair then read out a written statement provided by Councillor Downes. She felt that the crossing attendant should

not be forced to put his life on the line each day he attended work, and he should have the full support of this council to look to make this crossing safe for him and the children (and parents) on their way to school. She referred to a park and walk scheme in the area, which she felt should be encouraged rather than made more difficult by declining the crossing. Councillor Downes also questioned the traffic assessment that had been undertaken.

The Chair invited the portfolio holder to comment on the call-in.

Councillor Swinburn made it clear that the decision had not been taken on financial grounds and noted that he would not compromise on child safety issues. He noted that no 'near misses' in the area had been reported to the police and there had been no accidents in the vicinity. It was felt that the needs of residents at peak times were being met by the existing school crossing patrol. He referred to the traffic data presented and noted that average vehicle speeds in the area were well below the maximum. He noted that the decision taken was to not progress with a crossing at this time but to continue to monitor the situation. He had further requested a review of road signs in the area to further improve road safety.

The panel debated the call-in and there was a mixture of views from the panel. Whilst there was sympathy with residents, it was felt that decisions did need to be evidence-based.

Councillor Holland moved that the decision be deferred until new pedestrian and traffic surveys had been conducted and to allow further consultation with residents. This was seconded by Councillor Wilson. The matter was put to the vote and, on the Chair's casting vote, this proposal was lost.

Councillor Hudson moved that the portfolio holder decision be freed up for implementation. This was seconded by Councillor Freeston. The matter was put to the vote and, on the Chair's casting vote, this proposal was carried.

RESOLVED – That the decision taken by the Portfolio Holder for Environment and Transport on 23rd October 2023 regarding a request for a zebra crossing on St Nicholas Drive in Grimsby, be freed up for immediate implementation.

There being no further business, the Chair declared the meeting closed at 7.55 p.m.