

SWT Corporate Scrutiny Committee - 2 February 2022

Present: Councillor Gwil Wren (Chair)

Councillors Nick Thwaites, Ian Aldridge, Marcus Barr, Sue Buller, Norman Cavill, Habib Farbahi, Ed Firmin, John Hassall, Libby Lisgo and Loretta Whetlor

Officers: Jessica Kemmish, Sam Murrell, Alison Blom-Cooper, Chris Hall and Joe Wharton

Also Present: Councillors Marcus Kravis, Mike Rigby, Roger Habgood, Janet Lloyd, Vivienne Stock-Williams and Andrew Sully

(The meeting commenced at 6.17 pm)

1. Apologies

Apologies were received from councillors Danny Wedderkopp, Barrie Hall, Bennet Allen and Simon Coles.

2. Minutes of the previous Corporate Scrutiny Committee

The committee resolved to approve the minutes of the meeting held on 5th January 2022.

3. Declarations of Interest

Members present at the meeting declared the following personal interests in their capacity as a Councillor or Clerk of a County, Town or Parish Council or any other Local Authority:-

Name	Minute No.	Description of Interest	Reason	Action Taken
Cllr M Barr	All Items	Wellington	Personal	Spoke and Voted
Cllr N Cavill	All Items	West Monkton	Personal	Spoke and Voted
Cllr S Coles	All Items	SCC & Taunton Charter Trustee	Personal	Spoke
Cllr L Lisgo	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr J Lloyd	All Items	Wellington & Sampford Arundel	Personal	Spoke and Voted
Cllr M Rigby	All Items	SCC & Bishops Lydeard	Personal	Spoke
Cllr V Stock-Williams	All Items	Wellington	Personal	Spoke
Cllr N Thwaites	All Items	Dulverton	Personal	Spoke and Voted

Cllr L Whetlor	All Items	Watchet	Personal	Spoke and Voted
Cllr G Wren	All Items	Clerk to Milverton PC	Personal	Spoke and Voted

4. **Public Participation**

There was no public participation.

5. **Corporate Scrutiny Request/Recommendation Trackers**

The Chair noted the request and recommendation trackers.

6. **Corporate Scrutiny Committee Forward Plan**

The Chair noted the forward plan.

7. **Executive and Full Council Forward Plan**

The Chair noted the forward plans.

8. **To Consider Reports from Executive Councillors - Councillors M Kravis**

The Portfolio Holder for Economic Development & Asset Management provided an update on the status of the Coal Orchard Project. They updated the Committee that the company involved as the Council's contractor in the Coal Orchard Project, Midas, were filing for administration. This has been in the press and the Portfolio Holder had been interviewed on television and radio about it. Yesterday the Portfolio Holder met with local business surrounding Coal Orchard along with the Portfolio Holder for Transport and Planning. Officers had been working hard and all options were being considered.

The Assistant Director for Major and Special Projects added that Midas would have ten days to appoint an administrator as of Friday 28th January. Their staff had been asked not to come into work, so the Council had taken over the site and had appointed security to secure the site. The Council had already served a default notice on Midas last week due to poor performance. Officers would continue to work with Midas and have discussions, however, officers were also exploring alternatives to ensure that should Midas go into administration or default on the contract then Coal Orchard would still be completed.

During the debate the following points were raised:

- It was asked what could happen to Midas and the implications for the Coal Orchard Project. Officers responded that in terms of the project, if Midas went into administration then the Council would look at alternate options. These options included several contractual options such as employing another contractor, employing an independent project manager to manage the site whilst the Council employed sub-contractors directly or managing the site ourselves. All the options had different risks and benefits.

- It was asked how long it would take to complete Coal Orchard. Officers responded there was approximately three months of work left to complete on site so it would take three months from the remobilisation of the site for work to be completed.
- It was raised that the administration process could take a significant amount of time.
- It was asked if the contract with Midas was a fixed price contract. It was responded by officers that this was the case.
- It was asked if alternative options were being looked at before the administration process. Officers responded that they had begun to speak to sub-contractors who had been working on the site but that some of them had not been paid by Midas. Officers would continue to have conversations with sub-contractors to see if they would be willing to return to site. The contract with Midas would default at the end of this month due to poor performance.
- It was asked when the Council knew Midas was likely to apply for administration. The Portfolio Holder responded that they believed it was from Friday 28th January that the Council knew.
- It was raised that good progress had been made to secure the site and officers were thanked for this.
- It was asked if due diligence was conducted on Midas before the contract was awarded to them and during the contract. The contract award went through the standard two-stage procurement process and checks of Taunton Deane District Council. This process would have included due diligence. Officers
- Midas were meant to complete work on site in May 2021 and it was asked if the delay had not been an indication of issues. It was responded by officers that they whole industry had been impacted by Covid and the pandemic meant work took longer due to limited staff so the delay beyond May 2021 was not unexpected but from August 2021 explanations of delays given by Midas had become less reasonable which was why the default notice was ultimately served.
- It was asked if sub-contractors agreed that the Council owned all the materials if they had not been paid in full.
- It was asked if insurance cover would continue if the company became insolvent. It was responded by officers that the site was still currently owned by Midas as it was not yet in administration, but officers would contact insurers if Midas went into administration.
- It was asked about the notice that was served to Midas last week and whether this tipped Midas over the edge. Officers responded that there were issues across all of Midas's sites and that Midas filing for administration was unlikely to have been the result of the notice the Council served.
- The Portfolio Holder raised that the delay to the completion of the Coal Orchard Project was impacting upon businesses surrounding Coal Orchard and also those who had reserved flats which were being built as part of Coal Orchard. It was and would continue to be a priority to get the project finished as soon as possible.
- It was asked what the knock-on effect of the continuing delay on businesses near the site would be and how the Council was communicating with those businesses and whether the Council would be providing them with financial support. The portfolio holder responded that they had met with businesses last night and that they recognised the difficulties they faced.

- It was raised that the most important people to communicate with on this issue would be the businesses near the Coal Orchard Site and local councillors in Taunton. The Portfolio Holder responded that they would seek to ensure that councillors whose wards were within the Taunton area were kept up to date and businesses were communicated with.
- It was suggested similar support could be given to workers from Midas as was given to people who lost their jobs at the end of furlough if the company did fold.
- It was raised that there were losses made by Midas in 2021.
- Concerns were raised about the extent to which this was impacting local businesses.
- It was raised that prices had gone up which was likely why Midas were in trouble. It was suggested that the Council took the project in house to ensure the project was delivered. The Portfolio Holder responded that this was an option which officers were looking at.
- It was questioned about Midas still owning the site but the Council having put security in place on the site. It was responded by officers that as Midas were in administration, they no longer had any workers, including security workers, on site. The Council had therefore placed 24/7 security on site to secure it and ensure materials were not removed from site.
- It was asked if this would cost the Council any more money and if it did, whether it could be recovered through insurance or legal processes. It was asked what was being done to minimise losses. The Portfolio Holder responded that due to the increased labour costs if contractors other than Midas had to be used it would likely cost the Council more than initially planned as labour costs and material costs had increased since the fixed price contract was agreed with Midas. However, the project was in the end stages with only the finishing touches left to be done. Officers added that they were taking advice on what the Council could and could not do.
- It was asked if any payments to Midas from here on could be withheld if work was not completed. Officers responded that work was only paid for once completed, if no further work was done no further payments would be made.
- It was raised that there were very specific tax rules regarding contractors and that this would need to be considered if the Council took the project back in house.
- It was asked what the status of documents for safety checks which were the contractors responsibility were. Officers updated that certificates for checks had already been received for work that had been completed.
- It was asked about the quality of work completed thus far. It was responded by the Portfolio Holder that there had been no issues with the quality of the work completed thus far. Officers responded that quality of work was good.
- It was asked about inward investment and the plan mentioned in the report and whether this would be made accessible to councillors in full. The Portfolio Holder responded that the plan was currently a draft but would be made available to councillors when ready. A date would be provided to councillors after the meeting as well as information about the impact of any Levelling Up funding the Council may or may not get.
- It was asked about the Levelling Up white paper issued today by government. The government was looking to increase funding for research and development by 40%. It was asked how the Portfolio Holder intended to tap

into the extra 40% funding and how they sought to reduce the gap between top performing areas and Somerset West and Taunton. The Portfolio Holder responded that this was covered by the Council's Economic Development Strategy.

- It was asked why feasibility studies regarding innovation had focused only on certain geographic areas. The Portfolio Holder noted that this had been responded to previously. The Portfolio Holder raised that the Council were currently planning for the Innovation Conference to be held later in the year and looking to attract some funding for the conference so that good speakers and attendees would be interested in participating.
- Cllr Buller left the meeting at this point, 7:35pm.
- It was asked what the budget for Community Employment Hubs was and whether 34 live cases represented value for money or not. The Portfolio Holder responded that the work was valuable as it was changing lives and they would supply further information after the meeting.
- It was asked why only two of the twelve Community Employment Hubs were open. It was asked what the costs associated with this were. The Portfolio Holder would provide a response after the meeting.
- It was asked who was on the Innovation Group and who the lead officer was. It was responded by the Portfolio Holder that a strategy had been drawn up for the Innovation Group.
- It was asked what the cost of the Innovation Conference would be. The Portfolio Holder responded that there was money in the budget for the conference and that sponsorship would also be sought.
- It was asked about the West Somerset Employment Land report which was due to come to a meeting of the Scrutiny Committee. It was responded by the Portfolio Holder that the report had been delayed due to Local Government Reform and the need for decisions to be taken by the new Council. It was added by officers that both the issue of unitary and there being some outstanding work to be done meant the report could not proceed at the planned time. However, work was still continuing on the business case and once the governance arrangements were in place regarding unitary it could be brought forward.
- Concerns were raised about Employment Land being looked at in Minehead due to climate change. The portfolio holder responded that in regard to Employment Land consideration was and would be given to West Somerset as a whole, not just Minehead alone.
- An update was requested on the bus station. It was responded by the Portfolio Holder that the Council was still awaiting the Changing Places application outcome. Officers responded that Somerset County Council had put in a bid for funding to make the bus station a working bus station again. The outcome of this bid would not be known until April or May. Somerset West and Taunton were considering creating a car park on site, but this would depend on the bid outcome. Options for the buildings were also being considered.
- It was asked why a short-term lease to a business such as a restaurant had not been considered for the bus station building. It was responded by the Portfolio Holder that the building had not been in a lettable state when the Council took it back over.

- Using the bus station sites for car boot sales to generate temporary income was suggested. The Portfolio Holder assured the committee that uses for the bus station were being looked into.
- The Chair thanked the portfolio holder.

9. **To Consider Reports from Executive Councillors - Councillor M Rigby**

The Chair welcomed the Portfolio Holder for Planning and Transport.

During the debate the following points were raised:

- It was asked if there had been any progress on the car parking review and whether there was a possibility of buying more land for car parking in Watchet. It was responded by the portfolio holder that the review should be completed in a month's time. The overall parking strategy was also being reviewed.
- It was asked what the government was doing to resolve the phosphates issue. It was responded by the portfolio holder that the government had not done much to date but that the Council was lobbying the government. The Council had set aside £2m to help with phosphates solutions but that would only be sufficient to bring forward a fraction of the homes currently delayed by the phosphates issue.
- It was asked what solutions had come forward for the phosphates issue and what mitigations were potentially achievable. It was asked whether the Council was still looking at fallowing land and creation of wetland. It was asked what the estimated costs of phosphates solutions were and what it would do for local food production. It was responded by the Portfolio Holder that wetland creation was being looked at but that it would not provide sufficient credits for all developments as there was not enough land and using too much would impact agriculture and food production. A central government plan was needed. The levels and moors in the district had slipped into a bad condition over a period of time, and it would take decades for their condition to be improved. As a Council and local planning authority we need to ensure we do not make the problem worse, but cannot resolve it alone.
- It was asked if a charge could be levied per house to allow some development to go ahead. It was responded by the Portfolio Holder that this was being looked into but there were some legal matters being investigated to see if this was possible.
- The Portfolio Holder was thanked for their support and work on the Lidl built in Wellington and the train station which would be built in Wellington.
- It was asked if barriers could be removed from car parks. The Portfolio Holder acknowledged that the system had some flaws but added that changing the system ahead of the new unitary council being in place when the new council may look to make car parks uniform across Somerset, would not be worthwhile.
- It was asked why a blanket increase in parking charges across all cars parks was implemented rather than targeted charges. Officers noted that some car parks were free and maintained from the money which was raised from other car parks so charging only based on maintenance costs of an individual car park would not allow for free car parks.

- The poor condition of some car parks was raised. The Portfolio Holder responded that there would be money invested in the coming year to improve the condition of some car parks.
- It was asked what the life expectancy of phosphate mitigation wetland sites were. The Portfolio Holder responded that they believed Natural England were expecting the sites to be maintained for 100 years. Officers responded that there would have to be management of the site and that whoever owned the site would be expected to maintain the site for 80-120 years to ensure the credits remained viable. Natural England expressed that they would expect the local planning authority to regularly check on the management of such sites to ensure the credits remained viable.
- It was raised that the pay machines were difficult to use in some car parks when it was dark due to lack of lighting. The Portfolio Holder responded that they would look into this.
- It was asked what the membership of the Community Liaison Forum was in regard to the A358. The Portfolio Holder said that they would provide a response after the meeting.
- It was asked why the A358 was being prioritised over other roads where there was greater congestion. The Portfolio Holder responded that this was not within the Council's control.
- Thanks were expressed for the support from the Portfolio Holder for the Taunton to Wellington cycle route. It was responded by the portfolio holder that they were hoping to complete as much work as possible on the cycle routes.
- It was asked what was happening with Wellington Station and whether the group working on the project were still meeting regularly. It was responded by the Portfolio Holder that everyone working on the project was still committed to it and that the station should be opened in the next few years. The Portfolio Holder would seek to further publicise the work on the train station.
- It was raised that work should be done to consider car parking ahead of the new unitary authority coming into being. The Portfolio Holder responded that work would be done ahead of vesting day, but it would not be possible to complete everything before then.
- Further information about the Town Centre Health Checks was requested. It was responded by the Portfolio Holder that town centres had been struggling for some time with the decline of high street shopping and made worse by Covid. The Health Checks were designed to give an idea of how towns in the district were doing through figures such as how many shop vacancies there are so this could be considered in future planning.

10. **Access to Information - Exclusion of the Press and Public**

The Committee resolved that under Section 100A(4) of the Local Government Act 1972 the public be excluded from part of Agenda Item 9, To Consider Reports from Executive Councillors - Councillor M Rigby, on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 respectively of Part 1 of Schedule 12A of the Act, namely information relating to the financial

or business affairs of any particular person (including the authority holding that information).

The Chair proposed that the meeting be extended by 30 minutes which was duly seconded and carried.

(The Meeting ended at 9.21 pm)