

Economy and Environment Overview and Scrutiny Panel

Wednesday, 11 September 2019, County Hall, Worcester - 2.00 pm

		Minutes
Present:		Mr A A J Adams (Chairman), Mr P Denham (Vice Chairman), Mr G R Brookes, Mr M E Jenkins, Mr A D Kent and Mrs R Vale
Also attended:		Dr K A Pollock, Cabinet Member with responsibility for Economy and Infrastructure Mrs E B Tucker, Group Leader 2017 Group Cassie Bray, Head of Business Development, H&W Chamber of Commerce John Hobbs (Director of Economy and Infrastructure), Nigel Hudson (Head of Strategy and Infrastructure), Susan Crow (Economic Development Manager), Emily Barker (Strategic Planning and Environmental Policy Officer), Dave Corbett (Management Information Analyst), Steph Simcox (Head of Strategic Infrastructure Finance and Financial Recovery), Samantha Morris (Scrutiny Co-ordinator) and Emma James (Overview and Scrutiny Officer)
Available Papers		The members had before them: A. The Agenda papers (previously circulated); B. The Minutes of the Meeting held on 5 July 2019 (previously circulated). (Copies of document A will be attached to the signed Minutes).
347	Apologies and Welcome	Apologies had been received from Councillors Brandon Clayton, James O'Donnell and Ceri Stalker, and from the Cabinet Member for Highways, Alan Amos.
348	Declarations of Interest and of any Party Whip	
349	Public Participation	None.

350 Confirmation of the Minutes of the previous meeting

The Minutes of the meeting on 5 July 2019 were agreed as a correct record and signed by the Chairman.

The Chairman referred to the information requested by Panel members during the discussion on traffic calming; this had since been circulated and the Chairman invited any feedback on this be sent to the Scrutiny Officers.

351 Economic Growth

In attendance for this item were:

Worcestershire County Council:

Nigel Hudson, Head of Strategic Infrastructure and Economy

Sue Crow, Economic Growth and Investment Manager

Dr Ken Pollock, Cabinet Member with Responsibility (CMR) for Economy and Infrastructure

Hereford and Worcester Chamber of Commerce –
Cassie Bray, Director of Business Development

Sue Crow, the Council's Economic Growth and Investment Manager had prepared a presentation which highlighted the key points from the agenda report.

The presentation included the role of the Growth and Investment Team, Game Changer Sites, how new business was stimulated, support for existing businesses, partnership working and case studies. (The presentation is available on the website:

<https://worcestershire.moderngov.co.uk/ieListDocuments.aspx?CId=388&MId=2777&Ver=4>)

Game Changer Sites

The Worcester Six site had attracted a number of investors and was the most successful new employment site in Worcestershire and was seen as one of the most successful nationally. The Game Changer sites tended to attract interest from international companies. So far, the site had generated around 250 jobs – in response to a question about the proportion of these jobs which were new in Worcestershire, this was not yet confirmed.

When asked how long the Worcester Six site had taken from concept to delivery, the officers advised that first conversations had taken place with Worcester Bosch around nine years previously, and consent for the site had been given three years ago, therefore a great deal of progress had been made to complete such a big scheme. For new sites, a timescale of around four years was envisaged.

The Redditch Gateway site was a new development, which aimed to promote and enhance supply chain links and to further develop the skills of the labour market. It confirmed that conversations with companies interested in this site were underway.

Regarding Malvern Hills Science Park (MHSP), the Council had ongoing investment plans for this site with the latest development being funded with Worcestershire Local Enterprise Partnership (LEP). There were big visions for the site, and recently the Council, with Malvern Hills District Council, had purchased 4.5 ha of adjacent non-serviced land. It was anticipated that the development would accommodate up to 250,000 sq. ft of commercial floor space.

Support for Businesses

The Panel was shown a diagram which indicated the support available for new businesses at the stages of innovation, start-up, investment and scale-up.

Worcestershire Business Central was a partnership which supported businesses and engagement and was now co-located with Herefordshire and Worcestershire Chamber of Commerce.

A Panel member referred to the extraordinary figures for return on investment from the Business Accelerator Project (page 12 of the agenda) and asked what this project involved and how learning from these business successes could be maximised. The Officers advised that the work focused on a coaching model to identify what areas of expertise a business needed, with opportunities for investment. The Head of Strategic Infrastructure and Economy acknowledged that the Council could do more to highlight this small but very successful area of work.

In response to a Member's question about whether the business support projects had been rolled out across the region, since he was aware that many businesses did not know where to find support. The Economic Growth and Investment Manager explained that discussions were underway with the Council's libraries, in liaison with the district councils, to identify libraries where business experts would be able to refer businesses appropriately.

A member suggested that Worcestershire's economy benefitted hugely from rural businesses and asked how the Council engaged with those who wanted to develop, a need she was aware of. The Director of Business

Development from Herefordshire and Worcestershire (H&W) Chamber of Commerce advised that this was the role of Worcestershire Business Central, which included a team of around 11, with expertise in different fields, for example manufacturing or agriculture, 3 of whom also focused on engagement; work was prioritised but the team did contact businesses. By working with H&W Chamber of Commerce, Worcestershire Business Central engaged with over 4000 businesses throughout the year, although with 130,000 businesses in Worcestershire, and limited funding, it was a challenge to reach them all.

The Chairman suggested that Councillors were in a good position, with their local knowledge of communities to publicise the services available to businesses and that District Council's published newsletters which could signpost services also.

The Panel was shown details and examples of case studies and video clips from rural businesses which had been helped through the Leading Rural Business Programme (LEADER), which had been running for four years. The Officers had built up good relations with businesses but were aware that more could be done and would welcome the opportunity to build on this.

Other areas of work with businesses included helping them to assess their cyber security, grants to invest in growth and support to start up. A recent addition was working with the European Regional Development Fund. Another example of a business support programme was Worcestershire Innovation (WINN), which offered companies support mechanisms including proof of concept (POC) grants and innovation events. The Council was audited on its allocation of POC grants, and it was the best performing project in the west and east midlands.

The Council's team worked in partnership with the district councils and it was confirmed that newsletters were circulated to inform them about projects and events.

The officers acknowledged that the LEADER project was expensive; it was not job generating but focused on introducing technology and improving productivity.

When asked what assistance was available to businesses struggling with documentation, the H&W Chamber of Commerce representative advised that there was a team which could help, and that more funding was

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coming through for this function because of the current political environment around Brexit.

A Panel member highlighted the importance of channelling efforts into the right areas, such as business growth.

Several Panel members raised issues around smaller businesses being unable to find suitable premises in Worcester, and reports of problems around planning and expansion for businesses in Evesham Vale. Another member had received feedback that transport for the workforce to Worcester Six site was an issue. The Officers advised there was a huge issue around the economics of constructing buildings and that the particular mix of land in Worcestershire presented challenges. Water shortages was another issue.

The Cabinet Member with Responsibility (CMR) for Economy and Infrastructure acknowledged there were issues around businesses in rural areas being restricted by planning, and asked members to inform him of problems they were aware of.

The Panel was very impressed by the work being done and a member commented that the programmes available would inspire even successful businesses to grow and push forward.

In attendance for this item were:

Worcestershire County Council:

Nigel Hudson, Head of Strategic Infrastructure and Economy

Emily Barker, Planning Services Manager

Dr Ken Pollock, Cabinet Member with Responsibility (CMR) for Economy and Infrastructure

Hereford and Worcester Chamber of Commerce –

Cassie Bray, Director of Business Development

The Panel's as part of its work programme had requested information about how the Council supported the infrastructure for Worcestershire's growth and increasing demand for services.

Emily Barker, the Council's Planning Services Manager had prepared a presentation which included how the Council delivered infrastructure, strategic and planning documents, development across Worcestershire, mitigating development impact, transport, education,

waste, broadband, funding, influencing wider infrastructure (water), Worcestershire assessment of infrastructure and areas of opportunity. (The presentation is available on the website:

<https://worcestershire.moderngov.co.uk/ieListDocuments.aspx?CId=388&MId=2777&Ver=4>)

Cllr Rebecca Vale advised that should the discussion refer to development around the A456, she would need to declare a pecuniary interest, and would leave the room, since she owned a farm on land in that area. The Officers had prepared a presentation and confirmed that this would not refer to land around the A456.

The delivery of infrastructure was essential for housing and economic growth and also placemaking (the multi-faceted approach to the planning, design and management of public spaces). Broadly, the Council's infrastructure delivery took a proactive approach and aimed to help with traffic congestion and react to Local Plans. The largest current example of a project was the new train station, Worcestershire Parkway. The Council acted as a statutory provider for example in the provision of schools, highways and mitigating flooding.

The Panel was shown key strategic and planning documents and it was stressed that much of the work involved partnership working.

A map was displayed, which set out development across Worcestershire such as existing housing and employment allocations. Wyre Forest was at the most advanced point of planning.

The Officers were asked about the scale of housing development planned, and were advised that looking to 2040, around 60,000 houses were planned and 500,000 Ha of employment land.

When mitigating the impact of development, Officers looked at what needed to be delivered both at a strategic level (for example a link road), to smaller level (such as a small roundabout). There were infrastructure delivery plans for all the district areas.

Examples of transport infrastructure for growth included the Hoobrook Link Road, the walking/cycling bridge across the Southern Link Road, and the Worcestershire Parkway train station.

Regarding education, the Council carried out annual

forecasts of need for places from current housing and local Plans. For developments of a large enough size, a further school would be requested. All new primary schools also included nursery provision and other examples of changes to meet demand included a school moving from a two-form entry to a three-form entry or expanding because of growth in the area.

The Chairman pointed out that the majority of Worcestershire schools were now academies and asked how this affected planning. It was explained that where the need for a school to expand was identified, the Council had to ask the school if it wished to do so and would then work with the school to provide the funds. However, if the school did not want to expand then the Council would need to seek alternative provision; this had happened and was a real problem in some areas and also brought challenge for Local Plans, since it could not be assumed that schools would wish to expand.

Waste was one of the easier areas to plan for, and it was confirmed that there was sufficient capacity for up to 60,000 homes up to 2040, and 17 household recycling sites across the county.

Regarding broadband, the Council was not the direct provider, but worked in partnership to provide infrastructure.

It was important to note that funding for infrastructure was for infrastructure needs only and was not a rolling fund. Issues included build costs and viability. Developers were asked to fund various developments but did not fund everything, a problem which was overcome by use of government grants, something which the Council was successful at. However, for schools, developers were pushed, and most were fully funded by them. The planning system was due to change, and the Government had said that for the next round of Local Plans, viability would be considered at plan level.

Regarding influence over the wider infrastructure, for water, the Council had started work with the Environment Agency to pool together information and responsibilities, for example on water quality and shortage. It was important to improve joined up working in order to get things right.

Maps were displayed which assessed current infrastructure and capacity, as well as opportunity, with the idea that the location of development could be

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influenced in future, and existing assets could be maximised.

A member asked whether work to mitigate the impact of development included buses and cycling, and the Officers explained that bus operators could run services where they wanted to, but these areas were part of the current consultation on passenger transport.

The Chairman praised the information provided and the examples given, although he urged the Council to be even more ambitious, since he was aware of regular complaints from residents in his area around congestion, and lack of infrastructure.

Information about H&W Chamber of Commerce was distributed to the Panel and the Director was thanked for her contribution to the meeting.

In attendance for this item were:

John Hobbs, Director of Economy and Infrastructure (E&I)

Steph Simcox, Head of Finance

Dave Corbett, Management Information Analyst

Q1 2019/20 Budget Monitoring

The Head of Finance advised that in relation to Q1 2019/20, there were no material variances, apart from a few very minor ones, totalling £5k, which were set out in the key headlines of the Agenda.

The variances related to the positive impact of an increase in income from the archaeology service, pressure due to inflation on energy costs related to lighting, and the waste contract.

Regarding street lighting, a member suggested that the price paid by the Council per KWh for its energy was very high. The E&I Director and Head of Finance advised that energy was purchased through West Mercia Energy and that pressure from increased energy costs was being looked at corporately.

After discussion, the Panel agreed to suggest the corporate contract for energy supply be considered by the Corporate and Communities Overview and Scrutiny Panel (of which one of the Panel members present was the Chairman). The Director agreed that it would be helpful to have some analysis of how tariffs were set.

It was expected that the remaining savings relating to waste management would be funded from an additional contribution from the waste reserve. Dialogue with the waste contract provider was continuing and the detail of this could therefore not be disclosed at this stage.

In response to a question about whether Power BI was being used to drill down and analyse budget information, the Head of Finance agreed it was a powerful tool, although developing its use would take time, and the resources involved were being looked at.

It was confirmed that the variance of £124,000 for Operations, Highways and PROW was related to a staffing underspend.

Performance Information

A Panel member asked what three areas were going well and what three needed improvement and in response the Director said that areas to improve included the condition of highways, which had recently slipped slightly as shown by the graphs. The same applied to improving the rate of highways inspections, since it was important the Council was able to demonstrate inspection rates. He would also like to encourage people to reduce their waste.

Areas going well included the rate of repair of road defects and the way in which public enquiries were tracked. In general, the Director believed the Directorate had good processes in place.

Members agreed that the Directorate had effective processes, but suggested that it was at times let down by its engagement with members, which in turn affected the public interface. Members gave the example of struggling to keep track of their enquiries on the current system, and were advised that as part of its review of systems, the Directorate aspired towards a shared CRM system and the Director agreed this work should be brought forward.

When asked about the rationale of temporary fixes to potholes, which did not last, the Director explained that this may be because the road in question was part of the long-term repair programme; members recognised the sense of this approach but pointed out the need to be informed. The Chairman suggested members should therefore be updated with longer-term repair plans for roads (and not just footways) and while the Director

pointed out that this should already be available through Highways Liaison Engineers, a member pointed out that this was only two weeks in advance and was unclear.

A member suggested that the Council needed a stronger procedural approach in instances where it incurred costs for work such as trimming overgrown hedges and highways obstructions, when landowners in some areas of the county failed to respond to requests. The Director agreed and suggested that one solution may be to put a charge on the land concerned, which would then take effect when the property was being sold. The Panel agreed the issue of recharges was important, and that these instances also had health and safety implications; members looked forward to hearing how the Directorate tackled this problem.

Regarding the issue of encouraging the public to reduce waste, Cllr Jenkins highlighted a talk being given by an individual who had dramatically reduced their household waste, due to take place that week in Worcester.

A member from outside the Panel highlighted the difficulty in obtaining information on road repairs from the contractor (Ringway) and queried the value of the current job lists circulated to members. The Panel Chairman said that the Council's Highways Liaison Engineers were helpful in these instances. He also flagged up the need to progress an IT system which would then enable members to check.

Following queries from the Chairman, the Directorate Officers undertook to look at providing further breakdown of potholes fixed on time (the three different types), and also the number of historic enquiries (PEMs) lingering on the system and the rise in PEMs for June.

Whilst praising the format of performance data, the Panel suggested that for future discussions, it would be useful for the Directorate to highlight three areas of particular success and of challenge.

The Director confirmed he would look into the queries raised on the streetlighting energy costs, recharges, numbers of public enquires (PEMs) on the system, rise in PEMs for June, transparency of the jobs list for councillors and wider use of IT to improve communication for councillors.

The Panel suggested there was a need for a customer relationship management (CRM) system, to manage

councillor queries, and this would be referred to the work programme of the Corporate and Communities Overview and Scrutiny Panel.

The meeting ended at 4.50 pm

Chairman