

Minutes of the Economy and Environment Overview and

Scrutiny Panel

County Hall, Worcester

Monday, 20 September 2021, 9.30 am

Present:

Cllr Alastair Adams (Chairman), Cllr Bob Brookes, Cllr Allah Ditta,
Cllr Karen Hanks (Vice Chairman), Cllr Tony Muir, Cllr Jack Satterthwaite,
Cllr Emma Stokes and Cllr Craig Warhurst

Also attended:

Cllr Marc Bayliss
Cllr Richard Morris
Cllr Tom Wells

John Hobbs, Strategic Director for Economy and Infrastructure
Rachel Hill, Assistant Director for Economy, Major Projects and Waste.
Paul Smith, Assistant Director for Highways & Transport Operations
Steph Simcox, Head of Finance
Susan Crow, Economic Growth & Investment Manager
Ste Ashton, Senior Project Manager
Robert Stepniewski, Project Manager
Dave Corbett, Management Information Analyst
Samantha Morris, Scrutiny Co-ordinator
Alyson Grice, Overview and Scrutiny Officer

Available Papers

The members had before them:

- A. The Agenda papers (previously circulated); and
- B. The Minutes of the Meeting held on 12 March 2021 (previously circulated).

(A copy of document A will be attached to the signed Minutes.)

414 Apologies and Welcome

The Chairman welcomed all attendees to the Meeting. No apologies had been received.

415 Declarations of Interest and of any Party Whip

None.

416 Public Participation

None.

417 Confirmation of the Minutes of the previous meeting

The Minutes of the meeting held on 12 March 2021 were agreed as a correct record and signed by the Chairman.

418 Update on the Local Economy and What the Council Has Done and is Doing to Help Businesses Recover and Grow

Attending for this item:

Cllr Marc Bayliss, Cabinet Member for Economy and Skills
John Hobbs, Director of Economy and Infrastructure
Rachel Hill, Assistant Director for Economy, Major Projects and Waste
Sue Crow, Economic Growth and Investment Manager

The Cabinet Member with Responsibility for Economy and Skills and senior Officers from the Directorate of Economy and Infrastructure had been invited to the meeting to provide an update on the Council's support to businesses during the Covid pandemic.

The Cabinet Member began by reminding the Panel that his brief was different to the one covered by his predecessor (which had been Economy and Infrastructure). As Cabinet Member, he was open to challenge and welcomed any comments and ideas from Panel Members.

In the course of the discussion, the following main points were raised:

- The working-age population of Worcestershire (ie those aged between 16 and 64) made up 60% of the total population of the County. However, it was noted that an increasing number of people were working beyond traditional retirement age.
- Nearly 75% of businesses in the County were micro-businesses employing 4 or less people. However, 50% of the workforce were employed by the 1.6% of businesses employing over 50 people.
- The Worcestershire Covid-19 Economic Response, Recovery and Resilience Group (WCERG) comprised all local stakeholders. The Group had developed an economic recovery framework with five key areas of focus.

- Worcestershire's Claimant Count rate was lower than the regional or national rate but it had almost doubled since March 2020. In the last month the rate had started to fall and the economy seemed to be in a period of strong bounceback.
- Young people had seen the worst impact. They had found it most difficult to find employment and had been the first to be laid off. The Cabinet Member referred to the 'scarring' impact this could have and expressed concern that this might have a lifelong impact for some young people. The Claimant Count for 16-24 year-olds in Worcestershire was 6.8% compared with 4.3% for the overall workforce.
- As at 30 June, 6% of the workforce were on furlough, which was slightly lower than the West Midlands and England averages. The figure was slightly higher in Redditch at 8%. The end of furlough this month would undoubtedly see a rise in the number of claimants. However, there was also positive news in that as at 20 August the number of job adverts in the West Midlands was 147% above the February 2020 average level.
- A Member suggested that a major problem for micro businesses was finding simple, no frills premises with the opportunity to buy the freehold as an investment and to give the business stability. The Cabinet Member agreed and suggested that supporting and growing local businesses could be a more successful strategy than attracting inward investors. He agreed that accessing cheap and cheerful premises with flexible terms was important and he was working with the district councils and the Director to develop a suitable progression pathway.
- In response to a question about why Wychavon had seen the highest percentage rise in the claimant count since March 2020, the Cabinet Member informed the Panel that this was still being looked into. Further data would be provided in due course.
- The Cabinet Member agreed that it was important to support young people whose employment opportunities had been affected by the pandemic. He referred to the Government's Kickstart scheme, which provided work experience for young people and met all employment costs. Worcestershire County Council was about to take its first cohort as part of the scheme. Skills training programmes were also important as they kept people in active learning while they were not in employment.
- The Cabinet Member confirmed that, although the County Council had previously been involved in schemes providing shared office premises for local businesses (for example The Kiln in Worcester), he was not aware of any similar current schemes for shared business premises.
- The Economic Growth and Investment Manager provided further details on the Kickstart scheme. To date, 900 placements with local employers had been identified with over 200 already filled. Members were reminded that the Worcestershire jobs website listed all current vacancies for jobs and apprenticeships in the County.
- The outcome of Worcestershire's bid to the Community Renewal Fund had not yet been received. Wyre Forest had been identified as a priority place for this fund.
- A request was made for further data on jobs available in Worcestershire broken down by job type and pay scale if possible. A Member pointed out that the majority of current vacancies were in the care, logistics and

hospitality sectors and asked what was being done to attract more high quality, high salary jobs. The Cabinet Member acknowledged that there was a consistent, long-term wage gap with average wages in the County 15% below the national average. Work was ongoing to close this gap with a strategy of increasing the number of higher value, better paid jobs. Although average wages had risen, the gap remained the same.

- The Chairman suggested that, given the high percentage of micro businesses in the County, it may be difficult to work out pay rates due to different pay structures and methods of pay (for example share dividends) and therefore more well-paid jobs might be 'hidden'. The Cabinet Member did not think this was the case as the number of micro businesses was similar in other comparable local authorities. He also pointed out that house prices and the cost of living in Worcestershire were lower than other parts of the country so real income was similar.
- The Cabinet Member confirmed that he was very keen to visit local businesses and meet local business owners. He confirmed that this would include micro and small businesses.
- It was confirmed that projects supporting local businesses were funded to June 2023. This included support and guidance for business start-ups, a programme supporting existing businesses to pivot and grow, and help for manufacturers to adopt new technology, supported by the roll out of superfast broadband. Other projects supported innovation and the 'greening' of local businesses with a focus on energy efficiency and low carbon technology.
- The County Council had originally allocated £3.5 million to business support via the Here2Help Business Programme, and had recently committed a further £900k. This included business grants, specific support for agricultural businesses, a graduate programme and a business mentoring buddy system.
- It was confirmed that the programme was about to be re-launched with the extra £900k of funding and would be accepting further expressions of interest from local businesses. The average business grant was £25k. The Cabinet Member acknowledged that the extra funding would soon be used up but confirmed that plans were being made for the Here2Help Business Programme to continue in the future.
- In response to a question about feedback from businesses on the support provided, it was confirmed that two business surveys had been completed and a third was planned for October. It was agreed that feedback would be shared with the Panel.
- The Cabinet Member confirmed that he wanted to use public money to help businesses which were in genuine need and target the resources where they would make most difference.
- The Vice Chairman of the Overview and Scrutiny Performance Board (OSPB) reminded the Panel that he was also the portfolio holder for Economic Growth and Tourism at Wychavon District Council.
- It was agreed that a list of useful websites (including Business Central, Here2Help and Worcestershire Jobs) would be circulated to Members to help them to signpost residents to available support.
- A Member suggested that it would be helpful to simplify or summarise some of the material for the Here2Help scheme as it was a challenge

for business owners to find the time to read all of the information relating to grants and other support to see if they were eligible. The Cabinet Member acknowledged the point and agreed that this would be done where possible. He had asked the team to look at a simplified offer and would seek to work more closely with the district councils to deliver effective support. It was confirmed that Worcestershire Business Central ran a support desk which provided telephone support for businesses.

- The Panel was provided with a summary of the current Employment Land Programme including developments relating to Worcester 6, Redditch Gateway, Malvern Technology Park, Redditch Rail and Shrub Hill.
- In response to a question about whether wages at businesses sited at Worcester 6 were above average, the Cabinet Member confirmed that data was not available on this, although he suspected this was not the case. He reminded the Panel that, although the County Council could encourage higher value employment, it was not the landowner and so had limited influence on which businesses used the site.
- In relation to Redditch Rail, the Cabinet Member confirmed that £5 million had already been committed and the County Council was currently in discussion with the District Council and the LEPs about further funding opportunities. This was a good location and, although the County Council was committed to the project, it could not provide the resources alone.
- The Cabinet Member agreed that the current disabled access arrangements at Shrub Hill station were totally unsatisfactory. He confirmed that disabled access would be a priority for the redeveloped site and this would be one of the real benefits of the scheme. It was acknowledged that there were existing businesses with leases at the site and it would be important to deal with them sensitively when the redevelopment went ahead. If the scheme was approved, work could start immediately but the full scheme may take 10 years to complete. It was agreed that a site visit would be arranged for the Panel in due course.
- It was confirmed that the County Council was looking at further 'game changer' sites and wanted to ensure good geographical coverage across the County. However, the locations could not be disclosed at this stage due to commercial sensitivities.
- In relation to Visit Worcestershire, the Panel was told that the service had been rebranded with a redeveloped website and a focus on social media. The tourism awards had been relaunched and were now linked to Visit Britain with winners going forward to the national awards.
- The Chairman of the OSPB asked whether the success of Worcestershire Parkway station had implications for Shrub Hill in terms of passenger numbers. It was confirmed that no specific data was available on this, although the total number of rail travellers was only at 50% of its pre-covid level. The County Council would continue to monitor this but the current view was that all three stations were viable going forward.

- It was agreed that the Panel would receive a further update on the local economy in 12 months' time and this should include data from February 2022 to allow the impact of covid to be assessed.
- A Member asked a specific question about the business energy efficiency programme and the difficulty of obtaining previous data to demonstrate improvement. It was agreed that this would be followed up outside of the meeting.
- It was confirmed that Visit Worcestershire had a small budget for national advertising and the impact of the service was measured by recording website hits and social media 'click through'. The annual economic impact survey included tourism but it was confirmed that this did not include data by division. It was confirmed that articles in the national press, such as the recent one on Droitwich in The Sunday Times, were encouraged as they were cost free.
- The Cabinet Member confirmed that, although he had met with food packaging and processing companies, he had not yet met with growers in the County but was happy to do this in the future. He asked Members to contact him if there was a business in their division that they felt he should visit.
- The Cabinet Member thanked the Panel for the opportunity to attend the meeting and confirmed that he would provide a similar update in 12 months' time.

419 Superfast Broadband Annual Update

Attending for this item:

John Hobbs, Director of Economy and Infrastructure
 Rachel Hill, Assistant Director for Economy, Major Projects and Waste
 Ste Ashton, Senior Project Manager
 Robert Stepniewski, Project Manager

The Panel received an interim update on progress of the rollout of superfast broadband and was reminded that a full annual update would be provided in Spring 2022.

In the course of the discussion, the following main points were made:

- The rollout of superfast broadband was going through a period of transition with the Government agenda moving towards the ambition of achieving at least 85% Gigabit capable coverage by the end of 2025. Currently, the vast majority of households were happy with superfast broadband but there would be an ongoing increase in the demand for data and there was a need to get ahead for future demand.
- There had been a shift to centrally run procurement and, as part of this, a national Open Market Review was being undertaken by the Department of Culture, Media and Sport (DCMS). The Government was heavily reliant on commercial operators to reach 75-80% of the population, with the County Council then working to fill in the gaps.
- With reference to the Broadband Voucher scheme (part of the wider Project Gigabit programme), Worcestershire County Council was in the

top 5 authorities in terms of the value of vouchers secured. The eligibility rules of the scheme had recently been changed and this had had implications for some communities already going through the process. Concerns had been flagged with DCMS.

- Officers also looked at 5G and general mobile connectivity, although this was just a steering role with no public money available.
- The Chairman acknowledged that the rollout of superfast broadband had been a huge success and noted that many residents could not have worked at home during the pandemic without it. However, there was a percentage of the population (possibly 2-3%) who still had poor broadband speeds and he asked what was being done for these residents.
- In response, Members were reminded about the Universal Service Obligation (USO) which aimed to deliver broadband to the hardest to reach premises. If a household or business had speeds of less than 10 Mbps, they had the right to request improvement. Operators may look to provide mobile or cellular access. Although areas with poor broadband often also had poor mobile coverage, things could be done to enhance the signal.
- The Chairman requested that a summary sheet was produced showing options and suggested action for residents with poor broadband speeds. Councillors could then use this to support residents in navigating the system.
- It was confirmed that, for most residents and businesses, superfast broadband would meet current demand. However, demand would increase in the future and the move to Gigabit broadband would support this. The aim was to be fit and ready for future demand.
- Achieving 97% coverage was commended. However, it was acknowledged that there remained a need to focus on the remaining 3% and what could be done to expedite solving these issues.
- Members raised specific issues about the Feckenham/Astwood Bank and Suckley areas. Officers agreed to follow these up after the meeting.
- With reference to the DCMS Open Market Review, once all of the data was received, it would be possible to understand the plans of the commercial operators and be clearer about what was needed to fill in.
- It was suggested that, although the voucher scheme was a fairly simple process, there could be some delay in waiting for the initial quote.
- Concern was expressed that, although over 150 community schemes had been set up, only 30 schemes had been delivered to date. It was confirmed that further information would be sought from Openreach and Airband and consideration would be given as to how best to share this with the Panel.
- With reference to the need to dig up footpaths as part of the rollout, it was confirmed that every effort was made to coordinate this with other work, but inevitably there would be occasional hiccups.
- The Director of Economy and Infrastructure reminded the Panel that the Council was not a utility provider but rather acted as a community champion. As the voucher scheme came to an end, it was important for the Council to consider its exit strategy.

- The Chairman of the OSPB thanked officers for the professional way in which they undertook what was a very difficult job.
- The Chairman of the Panel thanked the officers for attending and looked forward to a further update in the spring.

420 Performance and In-Year Budget Monitoring

Attending for this item:

John Hobbs, Director of Economy and Infrastructure
 Steph Simcox, Deputy Chief Finance Officer
 Rachel Hill, Assistant Director for Economy, Major Projects and Waste
 Paul Smith, Assistant Director for Highways and Transport Operations
 Dave Corbett, Management Information Analyst

The Panel was updated on performance information for Quarter 1 (April to June 2021) and financial information for Period 3.

The following main points were raised:

Performance information

- It was confirmed that the scrutiny task group on Section 278 Development Control would start its work in October. Membership was currently being finalised with group leaders.
- A Member asked for further information on the data relating to potholes. The chart indicated that 100% of potholes had been fixed (repaired and/or made safe) on time but this did not reflect his experience locally, where a particular road needed major repairs. Another Member suggested that, if the target was being met 100% of the time, then a more challenging target was needed. It was confirmed that the target came from the national Code of Practice but consideration would be given to including a more useful local stretch target. The Director welcomed further evidence from local Councillors 'on the ground' as the service needed to know what was happening underneath the apparent high level of performance. Members' local experiences should be shared with Highways Liaison Officers.
- In response to a question about what the County Council was doing to further reduce its own CO2 emissions, Members were informed that there was no magic answer. A number of smaller projects were being worked on rather than one single action. It was confirmed that this would include looking at the role of contractors and local businesses.
- The Chairman requested further details on the condition of unclassified roads and the percentage which were subject to Coarse Visual Inspection (CVI). It was agreed that details would be provided following the meeting. Members were reminded that unclassified roads may refer to urban estate roads as well as rural roads.
- It was confirmed that data on the number of enquiries received via the Member Portal and how many of these were repeat enquiries would be part of a corporate assessment as the portal covered more than just

highways enquiries. It was important to encourage all Members to use the portal to ensure it gave the full picture.

- Concern was expressed that levels of recycling appeared to have stagnated. It was confirmed that work was being done with the district councils to encourage greater levels of recycling. Recycling would be the preferred option ahead of taking materials to the Energy from Waste plant.
- The Chairman asked about the destination of unrecyclable material recovered at EnviroSort and whether this went to landfill or to the Energy from Waste plant. An answer would be provided after the meeting.
- With reference to Countryside Access, a Member asked a question about how members of the public would identify accessible routes. An answer would be provided after the meeting. The Chairman expressed concern about the difficulty of viewing the Public Rights of Way interactive map on a mobile phone.

Financial Information

- The forecast variance showed a £36k overspend.
- Members were reminded that some of the Directorate's savings targets had been delayed from last financial year.
- The Capital Programme was forecast to spend broadly in line with budget with a small movement into 2022/23.
- The County Council was still awaiting confirmation of funding for the A38 Bromsgrove and the Community Renewal and Levelling Up Funds.
- Councillor Muir followed up a request from the previous meeting for further expansion of the year-end statement in relation to strategic land and economy. The Assistant Director for Economy, Major Projects and Waste confirmed this was in train and agreed to check on the response.
- The Deputy Chief Finance Officer confirmed that the majority of underspends were due to increased income and reduced expenditure rather than capitalisation.

421 Work Programme 2021/22

The Panel was asked to review its work programme. In the ensuing discussion, the following main points were made:

- It was confirmed that the final demonstration of the online gully mapping system would take place in October.
- Concerns in relation to urban flooding could be raised at the Panel's November meeting.
- A Member asked when the Panel would look again at Active Travel. It was suggested that this could be combined with a discussion on Cycleways.
- It was suggested that it was important to keep returning to key issues in order to drive improvement.

- A question was asked about scrutiny of the 2022/23 budget. It was confirmed that further information was awaited from the Chief Financial Officer and the approach would be confirmed in due course.

The meeting ended at 1.13 pm

Chairman