

## Minutes of the Economy Overview and Scrutiny Panel

### Guildhall, Worcester

**Monday, 17 July 2023, 10.00 am**

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#### **Present:**

Cllr Matt Dormer (Chairman), Cllr Karen Hanks (Vice Chairman),  
Cllr Mel Allcott, Cllr Bob Brookes, Cllr Allah Ditta, Cllr Ian Hardiman and  
Cllr Tony Muir

#### **Also attended:**

Cllr Marjory Bisset, Worcester City Council  
Cllr Lynn Denham, Worcester City Council  
Gary Woodman, Interim Assistant Director of Economy  
Steph Simcox, Deputy Chief Finance Officer  
Dave Corbett, Lead Analyst (Performance)  
Deborah Dale, Community Engagement Officer  
Jo Weston, 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 7 June 2023 (previously circulated).

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

#### **43 Apologies and Welcome**

Apologies were received from Councillors Martin Allen and Craig Warhurst.

#### **44 Declarations of Interest and of any Party Whip**

None.

#### **45 Public Participation**

None.

#### **46 Confirmation of the Minutes of the Previous Meeting**

Economy Overview and Scrutiny Panel Monday, 17 July 2023  
Date of Issue: 16 August 2023

The Minutes of the Meeting held on 7 June 2023 were agreed as a correct record and signed by the Chairman.

## 47 **Worcester City Council Economic Challenges and how the County Council Could Help**

The Chairman welcomed the Joint Leaders of Worcester City Council, Councillors Marjory Bisset and Lynn Denham to the meeting to discuss the City Council's economic challenges and ways in which the County Council could help.

The Joint Leaders welcomed the opportunity to discuss Worcester City Council's priorities, which in summary were:

- **Bus Services in the City** – the lack of bus services in Worcester after 6pm affected the night-time economy and local businesses including shift workers, hospital staff, patients and visitors. Furthermore, the hospital was not serviced by any bus on a Sunday. The decline of services over the last 11 years held the economy back and an improved service would help areas such as tourism.

Panel Members commented that many other areas had similar problems with some reporting on other alternative transport initiatives such as bike schemes and electric scooter hire.

It was noted that increasingly, bus services were community led and a number of demand-led services had been trialled with County Council support.

Modes of transport had changed, and Active Travel was being encouraged however, it was agreed that improvements to walking and cycling infrastructure were also required.

- **Congestion** - The impact of residents needing to use a car contributed to the congestion, which in turn led to increased carbon emissions and poor air quality in parts of the City. Unlike Worcester, many places nationwide had a pedestrianised City Centre and Park and Ride schemes. The City Council Transport Strategy would be shared with the County Council once complete.
- **Development of Shrub Hill** – There was concern that the development of this area was more residential than commercial and small businesses were being moved out of the area. As this was an area of investment for the County Council, concerns were raised regarding the level of support being given to these businesses to help them relocate.

The Interim Assistant Director assured the Panel that the Council, was doing all it could to support businesses. It was important to keep businesses in the County, however, it was recognised that a gap in

rental fees was emerging. The vision for Shrub Hill continued to be mixed use.

- **Energy Performance Certificates (EPC)** - Proposed increases in the minimum standard for leasehold industrial properties were expected to impact on 85% of local businesses. Upgrading properties to meet this new standard would be a major challenge for landlords, with some unable to afford it.

The Interim Assistant Director reported that the County Council had already supported a number of businesses, through grants, to reduce energy and it was agreed to provide further information to the Panel. Businesses were already beginning to reduce their energy consumption and lower their process costs as well as upgrading heating systems in various ways, such as installing solar panels and reducing their carbon footprint. It was agreed that there was no easy solution however, without an EPC, properties would not be able to be rented.

A Member suggested that businesses were generally already aware of the changes, and many were actively changing their systems to improve and promote their green credentials.

- **Worcestershire Local Economic Partnership (WLEP) Representation** - The Joint Leaders explained that District Council representation on the LEP was 1 Councillor for the 3 Northern Districts and 1 Councillor for the 3 Southern Districts, however, they believed that individual Districts should be represented on the WLEP.

The Panel was advised that the WLEP had evolved, but remained business led. An announcement from Government on the role of LEPs was anticipated however, the Interim Assistant Director was mindful of the commitment that the WLEP was business led, yet had representation from business, further education, district councils and the county council. A larger WLEP Board would impact on effective decision making. Other models were being operated in surrounding authorities and the situation would continue to be monitored.

The Chairman thanked the Joint Leaders of Worcester City Council for attending the meeting and agreed to share the concerns over lack of bus services with the Environment Overview and Scrutiny Panel, to inform their upcoming update on buses. It was agreed to alert Panel Members once the date had been confirmed.

## 48 Commercial Property in Worcestershire

The Panel received a report from the Interim Assistant Director which recognised the limited role of the Council in the commercial property market and the importance of the private sector. It was noted that this report did not look at retail properties.

Availability of commercial property and take up in recent years varied across the six district council areas and it was acknowledged that there was not a 'one size fits all' approach. The County Council had more of a co-ordination role however, Officers worked closely with property market partners and property agents to overcome any barriers, one of which was the lack of properties under 2,000sq feet and with no large office development since 2012 due to the change in ways of working, properties of this size were massively sought after.

Some Panel Members gave examples from their Districts, such as business start-up incubator units supported by local councils and shared serviced office space. It was agreed that these initiatives made a huge difference.

In relation to Employment Land Programmes, the Panel heard that enquiries for industrial units at Worcester Six Business Park were going well and the development was now in its second phase. The site was particularly attractive to businesses looking to relocate from areas such as the Black Country and Gloucestershire due to its proximity to the motorway. The monitoring of the quality and density of jobs would continue as more businesses occupied the site.

## **49 Performance (Q4 January to March) and In-Year Budget Monitoring**

The Panel received performance data for Quarter 4 (January to March 2023) from the Lead Analyst (Performance) who highlighted the links between the data and the Council's Corporate Plan key priority area of Open for Business.

Members were advised that the information on business survival rates was only collected annually and related to businesses started in 2020 and trading one year later.

Relevant to the previous discussion on quality of jobs, data on Average Earnings (2022) showed that Worcestershire fell below both the West Midlands and Great Britain figures.

During the discussion, the following main points were noted:

- As of March 2023, 98.26% of the County had access to Superfast Broadband (>24 Mbps) and 40.16% of properties had access to Full Fibre. A Member asked whether future reports could include data which included broadband speeds of >70 Mbps (rather than >24 Mbps) and the number of houses connected Fibre to the Premises (FTTP).
- Members agreed that mobile phone connectivity was also important, however, Voice over Internet Protocol (VoIP) services were becoming popular, meaning telephone calls were made using the internet.
- The Agenda referred to January 2022 data on the number of on-line job adverts. It was agreed to share an up to date figure with the Panel when available.

The Deputy Chief Finance Officer presented the Year End Outturn for 2022/23, highlighting that the Council's position had been presented to Cabinet on 29 June 2023.

The main points made were that there was an overspend of £7.3m on a £373.2 million net budget with overspends in all the demand led areas – Adult Social Care, Children's Social Care and Home to School Transport.

The year-end financial position for the whole of the Directorate of Economy and Infrastructure closed in a better position than expected.

## **50 Work Programme**

The Panel considered the current work programme and no changes were made.

The meeting ended at 11.50 am

Chairman .....