

**ECONOMIC SCRUTINY COMMITTEE
 29 NOVEMBER 2016**

PRESENT: COUNCILLOR A BRIDGES (CHAIRMAN)

Councillors C Pain (Vice-Chairman), B Adams, G J Ellis, N I Jackson, Mrs E J Sneath, C L Strange, L Wootten and R Wootten

Councillor W S Webb (Executive Support Councillor for Development) was also in attendance.

Officers in attendance:-

Tom Blount (Director of the Lincoln Science and Innovation Park), Justin Brown (Commissioner for Economic Growth), Simon Evans (Health Scrutiny Officer), Cheryl Hall (Democratic Services Officer), Mary Powell (Commissioning Manager (Tourism)) and Linsay Hill Pritchard (Principal Commissioning Officer (Accountable Body)).

39 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies for absence were received from Councillors Mrs J Brockway, D McNally and P Wood.

It was noted that the Chief Executive, having received notice under the Local Government (Committee and Political Groups) Regulations 1990, had appointed Councillor C L Strange to the Committee in place of Councillor Mrs J Brockway, for this meeting only.

40 DECLARATIONS OF COUNCILLORS' INTERESTS

No declarations of Councillors' interests were received at this stage in the proceedings.

41 MINUTES OF THE MEETING OF THE ECONOMIC SCRUTINY COMMITTEE HELD ON 18 OCTOBER 2016

During consideration of the minutes from the meeting held on 18 October 2016 the following updates on agreed actions were noted: -

- In relation to Minute 36 - 'Lincolnshire County Council and Department of Work and Pensions Joint Working', the Commissioner for Economic Growth was still awaiting a response from Government to the letter which highlighted the Committee's concerns; and
- In relation to Minute 37 – 'Adult Learning Programme and its contribution to economic development', it was noted that the email to the Committee including

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details of the provisions available in the Grantham area had not yet been circulated. It was agreed to circulate this to the Committee following the Committee.

RESOLVED

That the minutes of the Economic Scrutiny Committee held on 18 October 2016 be confirmed and signed by the Chairman as a correct record.

42 ANNOUNCEMENTS BY THE EXECUTIVE COUNCILLOR FOR DEVELOPMENT

Councillor W S Webb (Executive Support Councillor for Development) was invited to update the Committee on recent events within the County: -

- a. The Chancellor of the Exchequer had given the Autumn Statement to Parliament on 23 November 2016. The County Council was awaiting detail on its impact on Local Government. It was also noted that officers were awaiting detail on the Growth Funding and Local Pinch Point funding. Representations were currently being made to Government on various items which would help with funding for infrastructure;
- b. The East-West Link Road in Lincoln had officially opened on 17 November 2016. It was felt that this had already made significant improvements to the flow of traffic within Lincoln;
- c. The Committee was reminded that the Lincoln Christmas Market was scheduled to be held between 1 – 4 December 2016. The Committee wished it every success;
- d. On 28 November 2016, Government had given final approval for £50m of funding for the Lincoln Eastern Bypass. It was noted that all the planned infrastructure would enable the bypass to be converted from single to dual carriageway at a later date;

NOTE: At this point in proceedings, Councillor Mrs E J Sneath entered the meeting.

- e. The Committee was advised that there had been a significant amount of interest in the new Marina at Sutton Bridge. The open day was taking place on 13 December 2016;
- f. It was noted that two thirds of the County's exporters trade was with the USA;
- g. The Committee was advised of a Greater Lincolnshire Big Food Debate held on 25 November 2016 in Grimsby, which was very well attended. The Debate had been set up to look into addressing the issues that would impact on the Greater Lincolnshire economy, particularly agriculture and the food industry;
- h. Reference was also made to coverage of food industry in Lincolnshire by the BBC television programme, Countryfile;
- i. The benefits of automation in the agricultural and food sector were discussed, in particular how this could alleviate pressures on labour shortages in future;
- j. It was noted that for every 60p of fresh produce sold in supermarkets, only 10p was received by producers. Therefore it was recognised there was need to

shorten the supply chain to ensure the producers benefited more from the sale of their produce.

The Chairman thanked the Executive Support Councillor for Development for the update and asked the Committee to email the Executive Councillor for Development or the Executive Support Councillor directly should there be any questions in relation to the announcements.

43 TOURISM REVIEW UPDATE - HISTORIC LINCOLN PLANS FOR 2017
(COMMEMORATION OF THE BATTLE OF LINCOLN FAIR)

Consideration was given to a report by Mary Powell (Commissioning Manager (Tourism)), which provided an update on developments within the tourism sector, especially the statistical information that had shown the continuing excellent and countywide impact of the Council's investment in Lincoln Castle.

The Commissioning Manager (Tourism) advised that the 2015 STEAM volume and value figures for Lincolnshire had been published in August 2016 and had shown a very positive uplift. It was noted that the 'Castle effect' had rolled out across Lincolnshire, as intended. The 2016 season had also shown to have been very positive, although the STEAM figures would not be issued until mid-2017.

It was noted that in 2016 the County Council had commissioned a Tourism Review, which had been endorsed by both the Greater Lincolnshire Local Enterprise Partnership (GLLEP) and all the tourism officers. The Tourism Review had made a number of recommendations, which were detailed on page 20 of the report. The Committee was advised of the plans for 2017, which were detailed on page 21 of the report.

The Commissioning Manager (Tourism) also advised that partners across Lincolnshire were working together on a hotel demand study. The purpose of the study would be to identify locations that were suitable for hotel investment by assessing the evidence of demand. The study would be used to provide evidence to hotel investors with the aim of securing the future development of more serviced accommodation across Greater Lincolnshire. Many accommodation providers in Lincolnshire were reporting occupancy rates of 90% and hence the importance of this piece of work.

The Commissioning Manager (Tourism) was pleased to report that Lincoln Castle had been nominated for the New Cultural Experience award by the National Geographic Traveller readers. The award ceremony was scheduled for the evening of 29 November 2016.

Members were provided with an opportunity to ask questions, where the following points were noted: -

- It was queried whether Lincoln Castle could work collaboratively with Lincoln Cathedral in developing a joint membership offer. Further to this, it was noted that Lincoln Castle was currently in the process of developing a joint twelve

month membership offer with other Lincolnshire County Council owned sites, such as Gainsborough Old Hall, and it was hoped it would be launched in 2017. The possibility of Lincoln Castle working collaboratively on a joint membership with the Cathedral had been explored and a joint ticket had been successfully running since the beginning of 2015, despite the complications of VAT and Gift Aid;

- A Councillor commented that the focus of promoting tourism within Lincolnshire should not solely be on Lincoln, as many other towns had a lot to offer in terms of tourism. It was also commented that there was a need to promote other areas within Lincolnshire; including aviation and heritage sites;
- It was noted that there was a need for the County Council to promote the County's heritage sites by way of a package to ensure maximum visitor numbers;
- A Councillor suggested that the County tourism officers pursued World Heritage Status for Lincolnshire. In response, the Committee was advised that previously two applications had been submitted for this status, which were unsuccessful. The positives and negatives of applying for this status were outlined to the Committee;
- Councillors congratulated officers for their hard work in promoting tourism within Lincolnshire;
- It was noted that the proposed Designer Outlet in Grantham could potentially increase visitor numbers to that part of Lincolnshire;
- With regards to the hotel demand study, it was noted that during the Summer months, Bishop Grosseteste University let their student accommodation for visitors;
- Concerns were raised regarding the current car parking situation within Lincoln, in particular the increase in demand in the Christmas shopping period. In response, officers felt that the city would cope under the increased pressure with the introduction of a park and ride and increased parking provision at The Lawn.

RESOLVED

- (1) That the substantial impact that investment in Lincoln Castle has had both within Lincoln and across the whole County be noted.
- (2) That support be given to the emerging programme of events for 2017.

44 THEME PERFORMANCE QUARTER 2

Consideration was given to a report by the Commissioner for Economic Growth, which provided Members with an update on performance against the Council's four indicators for the 'Growing the economy through supporting businesses' commissioning strategy. It was noted that all four indicators were currently being met.

The report also discussed performance over several years, showing that external factors had often affected the achievement of indicators negatively within a single quarter. It was noted that overall progress towards the achievement of the indicators

had remained good. Further to this, the Committee was advised that following the appointment of a new manager at the Department for Communities and Local Government, with responsibility for approving bids, the processing of bids within the Department had significantly improved. This in turn had had positive effects on the Council's relevant performance indicators.

The Committee was also advised of the findings of the latest Quarterly Economic Survey, which had shown that business confidence was lower than in recent quarters. However, the feared economic problems concerning the impact of Brexit had not materialised.

Members were provided with an opportunity to ask questions, where the following points were noted: -

- A Councillor raised a concern that more than three quarters of the proceeds from the Milk for Farmers venture, which was widely believed to solely benefit UK Farmers, were shared across European milk producing farmers;
- The benefits of automation in the agricultural and food sector should be further explored by the UK, similar to that used by countries such as Germany and France;
- It was felt that young people who were Not in Education, Employment or Training (NEET) should be supported into working environments; and
- It was felt that colleges should ideally offer more courses at entry levels below level 3.

RESOLVED

- (1) That the good performance against the Council's Business Plan indicators be noted.
- (2) That the findings of the latest Quarterly Economic Survey be noted.

45 LINCOLN SCIENCE AND INNOVATION PARK

Consideration was given to a report and presentation by Thomas Blount (Director of the Lincoln Science and Innovation Park), which provided an update on the progress of the current Lincoln Science and Innovation Park (LSIP), in particular its build programme and its recruitment of students in the School of Pharmacy.

Members were reminded that the LSIP was established in 2012 to provide a home for knowledge economy businesses in the Greater Lincolnshire area. It was designed to leverage the large investment made in research and development by the University of Lincoln to provide a mechanism to transfer innovation and skills to Lincolnshire's business community, which had historically performed poorly in competitiveness measures like investment in Research and Development and high-level skills.

During the presentation, the following points were noted: -

- Since 2012, the LSIP had undertaken two major developments; Joseph Banks Laboratory/Minster House; and Boole Technology Centre. The Joseph Banks Laboratory/Minster House had opened in September 2014 and provided laboratories and academic facilities which were focused on life sciences, chemistry and pharmacy. The Boole Technology Centre would open on 1 February 2017 for commercial-industrial tenants;
- The LSIP was principally a joint venture between the University of Lincoln and Lincolnshire Co-operative, however, it had been developed with the close support of the local authorities;
- The LSIP was in part created due to a need to train more pharmacists locally and a desire at the University of Lincoln to concentrate to a greater extent on technical education and research. The School of Pharmacy that had emerged from those objectives, and which was a partnership between the University of Lincoln and the Lincolnshire Co-operative Group, had seen 120 pharmacy students being placed in pharmacies;
- It was suggested that an off-site visit to the LSIP should be arranged for the Committee at its meeting either in February or March 2017;
- The Committee was very supportive of the work of the LSIP and its benefits to Lincolnshire;
- A number of councillors suggested that a medical school should be developed in Lincoln. The economic benefits of having a medical school located within the county were discussed;

NOTE: At this point in the proceedings, Councillor B Adams left for the remainder of the meeting.

- The importance of the County Council's relationship with the LSIP was discussed and the Director of the Lincoln Science and Innovation Park welcomed the County Council's ongoing support;
- Access into the LSIP was discussed and it was recognised that in future this may need to be developed further.

The Chairman thanked the Director of the Lincoln Science and Innovation Park for his comprehensive report and presentation.

RESOLVED

- (1) That the good progress of the current Lincoln Science and Innovation Park, especially concerning its build programme and its recruitment of students in the School of Pharmacy, be noted.
- (2) That the support to the Lincoln Science and Innovation Park be continued, specifically by:
 - promoting it as a destination for investment and by aligning the innovation schemes that the Council commissions with those of the Science and Innovation Park;

- recognising that Lincoln Science and Innovation Park will be a further phase and being prepared to support that phase's progress by writing letters of support for any bid that is made for external funding.
- (3) That an off-site visit to the Lincoln Science and Innovation Park be arranged for the Committee at its meeting either in February or March 2017.

46 SINGLE LOCAL GROWTH FUND ACCOUNTABLE BODY PROGRESS REPORT

Consideration was given to a report by the Commissioner for Economic Growth, which provided an update from the Accountable Body on the progress of the Single Local Growth Fund, which was operated on behalf of the Greater Lincolnshire Local Enterprise Partnership. The report was focussed on the closure of financial year 2015/16 and highlighted the continued progress to date within 2016/17.

The Principal Commissioning Officer (Accountable Officer) presented each section of the report to the Committee and in conclusion, advised that the Accountable Body had continued to provide a robust environment in which the Local Enterprise Partnership operated and the Single Local Growth Fund projects were, in the main, progressing on site. However, the challenges in meeting this year's spend target and the mitigation measures being put in place to lower the risk of losing funding to the area were highlighted.

During consideration of the report, the following points were noted: -

- Progress on the Growth Deal had moved at pace within the 2016/17 period. There were 19 projects contracted including six within the Unlocking Rural Housing Programme. Total value of the contracts was £214 million providing £77.7 million of Single Local Growth Fund grant and leveraging in £136.3 million of public/private sector investment;
- The current spend position was discussed and it was noted that a slippage of £16.1 million for 2016/17 was currently forecast, £9.6million of which related to the Grantham Southern Relief Road Scheme, however there were plans emerging to address this slippage;
- It was noted that the spend profile for 2016/17 was following a similar pattern to the last financial year, where there was a large spike in spending in the last quarter. Further to this, a Councillor raised concerns with this approach as it was deemed not good practice, as spending should be more evenly spread across the year.

The Chairman thanked the Principal Commissioning Officer (Accountable Officer) for her detailed report.

RESOLVED

- (1) That support be given to the delegation to the Commissioner for Economic Growth, in consultation with the Executive Director for Finance and Public

Protection, the implementation of a strategy to secure all of the funding for 2016/2017 should individual projects underspend.

- (2) That the current progress being made on the Growth Deal Programme for Greater Lincolnshire be noted.

47 PLACE MARKETING AND ALIGNMENT WITH THE GREATER LINCOLNSHIRE LOCAL ENTERPRISE PARTNERSHIP'S WORK

Consideration was given to a report by Justin Brown (Commissioner for Economic Growth), which updated the Committee on progress to date on the work of the Place Marketing and Alignment with the Greater Lincolnshire Local Enterprise Partnership (GLLEP) and set out the timetable for activity.

Members were reminded that place marketing could be a wide agenda and could consider communications, branding, sales and marketing activities that made a place appealing to a wide audience. A small budget of £120,000 from both Lincolnshire County Council and GLLEP had been pooled together to take the initial steps for Lincolnshire, and it was clear that place marketing was a longer term ambition that required the support and funding of both the private and public sectors across the area. A list of short to medium actions was detailed on page 90 of the agenda pack.

The Commissioner for Economic Growth reiterated that partners across Lincolnshire were working together on a hotel demand study. The purpose of the study would be to identify locations that were suitable for hotel investment by assessing the evidence of demand. The study would be used to provide evidence to hotel investors with the aim of securing the future development of more serviced accommodation across Greater Lincolnshire.

NOTE: At this stage in the proceedings, Councillors G J Ellis and C L Strange left the meeting.

During a discussion on the report, the following points were noted: -

- A compelling Greater Lincolnshire Story would be developed, which would be an authentic and honest economic story that was both a written and pictorial narrative of what makes Lincolnshire tick, and would combine factual data with perceptions and qualitative information. Further to this, Members were requested to provide detail of extraordinary events which take place within their electoral divisions, such as the Spalding Pumpkin Parade for inclusion. Some Councillors gave examples of when they had moved to Lincolnshire, initially attracted by low house prices but then by attractive market towns and beaches. It was suggested that the Commissioner for Economic Growth emailed the Committee for suggestions;
- Any PR would be targeted and based on visitor statistics and demographics;
- As there were a number of brands across Greater Lincolnshire, a branding hierarchy would be developed;

- Two councillors commented that this piece of work should not solely be Lincoln focused and there was a need to promote other areas within Lincolnshire.

RESOLVED

- (1) That the initial work of the Greater Lincolnshire Local Enterprise Partnership and partners locally in developing niche activity in place marketing, as set out in the report, be noted.
- (2) That the Commissioner for Economic Growth be requested to email the Committee for suggestions for extraordinary Lincolnshire events/activities/places to visit.

48 ECONOMIC SCRUTINY COMMITTEE WORK PROGRAMME

Consideration was given to a report from the Director responsible for Democratic Services, which provided the Committee with an opportunity to consider its work programme for the coming year.

Simon Evans (Health Scrutiny Officer) introduced the report and advised that, further to Minute 45 above, arrangements would be made for an offsite visit to the Lincoln Science and Innovation Park following the meeting of the Committee in February 2017.

Members were reminded that the Economic Scrutiny Committee Budget Workshop was scheduled to be held during the afternoon of 29 November 2016, commencing at 2.00 pm.

RESOLVED

That the Economic Scrutiny Committee Work Programme, as presented at Appendix A, be approved.

The meeting closed at 1.00 pm.