

**ENVIRONMENT AND ECONOMY  
 SCRUTINY COMMITTEE  
 17 JULY 2017**

**PRESENT: COUNCILLOR T BRIDGES (CHAIRMAN)**

Councillors B M Dobson (Vice-Chairman), B Adams, Mrs A M Austin, Mrs P Cooper, G E Cullen, R P H Reid, Mrs E J Sneath and Dr M E Thompson.

Councillors C J Davie (Executive Councillor for Economy and Place), D McNally (Chairman of Flood and Water Management Scrutiny Committee), E J Poll (Executive Councillor for Commercial and Environmental Management), M J Storer (Executive Support Councillor for Economy and Place) and A H Turner MBE JP (Executive Support Councillor for Commercial and Environmental Management) were also in attendance.

Officers in attendance:-

Justin Brown (Commissioner for Economic Growth), Andy Gutherson (County Commissioner for Economy and Place), Cheryl Hall (Democratic Services Officer), David Hickman (Growth & Environment Commissioner), Clare Hughes (Principal Commissioning Officer (LEP)), Susannah Lewis (Principal Commissioning Officer (Funding)) and Daniel Steel (Scrutiny Officer).

**8 APOLOGIES FOR ABSENCE/REPLACEMENT COUNCILLORS**

Apologies for absence were received from Councillors M A Griggs and C L Strange.

It was noted that the Chief Executive, having received a notice under Regulation 13 of the Local Government (Committees and Political Groups) Regulations 1990, had appointed Councillor Mrs P Cooper as a replacement member of the Committee in place of Councillor M A Griggs, for this meeting only.

**9 DECLARATIONS OF COUNCILLORS' INTERESTS**

There were no declarations of Councillors' Interests at this point in the proceedings.

**10 ANNOUNCEMENTS BY THE CHAIRMAN, EXECUTIVE COUNCILLORS AND CHIEF OPERATING OFFICERS**

With sadness, the Chairman confirmed the news of the death of Mark Welsh, the County's Flood Risk and Development Manager. He paid tribute to Mark who was an excellent officer and a well-liked and respected member of staff who made a valuable contribution to the work of this committee over many years. Thoughts and prayers were expressed to Mark's family, friends and colleagues at this difficult time.

A minutes silence was observed in memory of Mark, following which Councillors C J Davie, E J Poll and Mrs A M Austin also paid tribute.

The Chairman invited the Executive Councillor for Economy and Place to make a number of announcements.

The Executive Councillor advised that the latest quarterly Economic Survey had recently been released, which had shown that the performance of Lincolnshire businesses had remained strong but that confidence had been affected by the political uncertainty. It was therefore recognised that this was the time to show businesses that the County Council and the Greater Lincolnshire Local Enterprise Partnership (GLLEP) were working hard for them.

The GLLEP's Manufacturing Board had recently met for the first time. The Board comprised of leading manufacturing businesses and it was the parallel of the food, visitor economy, and farming boards. Over 100 businesses were actively involved in helping to shape economic policy; a figure that was the envy of other areas in the country.

The County Council was promoting the Leader Grant Scheme to Rural Businesses and a seminar was scheduled to be held on 18 July 2017, with approximately 45 delegates registered to attend. The council had worked with the Department for Environment, Food and Rural Affairs (DEFRA) to help food production businesses to attract grants and it was highlighted that another £850,000 of investment had been approved in the past few weeks.

It was noted that two County Councillors had recently requested that the Executive Councillor, and supporting officers, met with leading businesses in their electoral divisions. The Executive Councillor extended this offer to members of the Committee.

It was recognised that the problems associated with utility supply to the area, both to major developments and to individual businesses, were challenging for the County. A utility summit was scheduled to be held on 18 July 2017, where the issues would be discussed with decision makers from the utility companies.

It was emphasised that partnership working was critical to the work of economic development, where it was highlighted that: there had already been a high level meeting with the Environment Agency to discuss some of the points in the report on coastal defences; the Leader continued to attend the Midlands Engine Strategy Board; and meetings had been arranged with economic development counterparts from across the district councils.

## 11 MINUTES OF THE MEETING HELD ON 12 JUNE 2017

### RESOLVED

That the minutes of the meeting of the Committee held on 12 June 2017 be signed by the Chairman as a correct record.

**12**     ACHIEVING ENVIRONMENTAL AND TOURISM BENEFITS FROM INVESTMENT IN COASTAL MANAGEMENT

Consideration was given to a report by Justin Brown (Commissioner for Economic Growth) and David Hickman (Growth and Environment Commissioner), which outlined the nature and scope of current and future coastal management; and looked to explore opportunities for developing the visitor economy and achieving environmental improvements.

The Commissioner for Economic Growth and the Growth and Environment Commissioner presented the report to the Committee and in doing so, highlighted the importance of protecting coastal areas from flooding; and described the opportunities to create added value between investment in flood protection and in wider tourism and economic growth. The report also provided information from an economic perspective on three key areas: agricultural land; tourism and diversified business sectors; and coastal communities.

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

- The development of the English Coast Path, specifically the section of the walkway between Humber Bridge and Sutton Bridge, had now commenced. It was anticipated that its development would increase green tourism within Lincolnshire, which in turn would benefit the local economy. The lack of maintenance of certain public rights of way across the coastline was highlighted as a concern, and officers agreed to highlight this issue with the relevant team within the council;
- The importance of the beach replenishment scheme from Mablethorpe to Skegness was discussed;
- The green and heritage agendas were discussed, where it was highlighted that the Executive Councillor for Economy and Place had recently met with representatives of Boston Borough Council to discuss ways in which it could better promote its cultural heritage. It was acknowledged that there was a need for Lincolnshire to improve its tourism offer (accommodation, attractions and marketing) to encourage visitor numbers;
- It was commented that the provision of cycle routes throughout Lincolnshire required significant improvements, as this was a missed opportunity in terms of local and international tourism. The World Travel Market was highlighted as a key tourism opportunity at which Lincolnshire should be represented.

**RESOLVED**

- (1) That the comments of the Committee be taken forward in developing Lincolnshire County Council's contribution to steering development and implementation of future coastal management approaches after March 2021.

- (2) That support be given to the ongoing work to ensure that businesses and communities from the coastal strip have equal access to the services commissioned by Environment and Economy.
- (3) That the development of a plan for achieving added value for tourism and business from partnership investment in coast management be supported, with a draft being presented to the Committee by November 2017.

### 13 FUTURE PRIORITIES FOR FUNDING POST BREXIT

A report by Susannah Lewis (Principal Commissioning Officer (Funding)) was considered, which summarised the current European Structural and Investment Fund Programmes that were aimed at targeting economic need and Local Growth Deals focused around growth opportunity. The report also identified some of those questions that Government officials were posing during the design process of the Shared Prosperity Fund (previously known as the National Productivity Investment Fund).

The Committee was advised that as part of the Brexit process, the government had committed to design a new funding programme, to be known as the Shared Prosperity Fund, which would replace EU funding. However, it would be combined with current government regeneration grants to create a single funding pot. It would therefore be advantageous to create a clear position statement, which would help to articulate Lincolnshire's requirements.

The Greater Lincolnshire Local Enterprise Partnership (GLLEP) had a vision to deliver economic growth, which was focused around five priorities and drivers for success, and outlined in their Strategic Economic Plan. The five priorities were included within the Committee's report.

The report also provided a summary of the current and most significant funding pots, which had helped to support priority sectors across Greater Lincolnshire. The funding sources included:

- European Structural and Investment Funds;
- European Regional Development Fund;
- European Social Fund;
- European Agricultural Fund for Rural Development; and
- Growth Deal Funding.

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

- It was requested that members of the Committee received a summary of the schemes which had benefited from the five funding sources;
- Some of the mechanisms that could be used to achieve the level of growth that was necessary in Lincolnshire, in future, were discussed, of which the

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Committee emphasised the importance of a local focus on future funding arrangements;

- The Committee also highlighted that future transitional arrangements, through the Brexit process, were key in ensuring the economy remained stable throughout this process;
- It was highlighted that the funding from the European Agricultural Fund for Rural Development was targeted at rural businesses and for the LEADER programmes. The Committee expressed its concerns that this funding could not be used to support technical skills in the agricultural sector. In response, the Committee was advised that officers would seek further clarification from the Department for Environment, Food and Rural Affairs (DEFRA) on this matter and report back at a future meeting. It was suggested that if this funding could not also be used for this purpose, the Committee could invite DEFRA to a future meeting to discuss this issue further;
- It was noted that an item on *Implementing the Outcomes of the Place Marketing Work* would be presenting to the Committee on 12 September 2017. It was suggested that this item should also include information on the Place Marketing Toolkit.

RESOLVED

- (1) That the priorities arising from the Strategic Economic Plan be supported.
- (2) That the Committee's comments on the mechanisms that should be used to achieve the level of growth that is necessary in Lincolnshire be taken forward.
- (3) That the production of a position statement on future funding, in conjunction with the Greater Lincolnshire Local Enterprise Partnership, and other partners, be supported.

14 FUTURE SKILLS AND EMPLOYMENT NEEDS

Consideration was given to a report by Clare Hughes (Principal Commissioning Officer (LEP)), which provided the Committee with an update on the work that officers had completed to address the future skills gaps and highlighted what work was still required.

It was highlighted that from 2014-2024, it was predicated that approximately 200,000 jobs would need to be filled locally. Businesses had advised that 'skills gaps' were one of their barriers to growth, so ensuring that individuals had the right kind of skills and qualities for local jobs was an important objective.

The Committee was advised of the future skills needs, as detailed on page 30 of the agenda pack, which included: increased demand for qualifications that were higher than those currently held by the local population; fewer jobs available for those with no qualifications; and an increased demand for machine operatives and skilled trade occupations.

The Committee was also advised of three strands of work, which were currently being undertaken to help address the problem: -

- Work with business and use of research resources to understand where the skills gaps would be in future;
- Provide information to young people and parents about future job opportunities and skills needs, including tackling negative perceptions that continued to persist regarding some of the county's largest sectors; and
- Commissioning and influencing training provision to tackle gaps.

NOTE: At this stage in the proceedings, Councillor C J Davie left the room for the remainder of the meeting.

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

- It was highlighted that approximately £12million of funding was available for training of Lincolnshire adults and approximately £14million for Apprenticeships annually (2016/17 figures, prior to the introduction of the Apprenticeship levy). Lincolnshire County Council received £1.6million of this and commissioned a range of training to meet local need;
- The Committee emphasised its support for the Employment and Skills Board, as detailed on page 31 of the agenda pack, which would ensure a local focus and a joined up approach between education providers and employers. It was noted that the Board provided a voice for local employers, who wanted to make sure that national skills and training budgets better reflected what was needed to fill job vacancies;
- The Committee expressed a need for training and development to be sustainable;
- The Committee also expressed its support for apprenticeship schemes; however, it was emphasised that employers must ensure apprenticeships were gaining valuable experience to enable them to progress in future; and
- Boston College was highlighted as one of the top performing rural colleges in the country. The Committee suggested that this was publicised through its press office.

#### RESOLVED

- (1) That the different factors that need to be tackled to address the 'skills gaps' challenge be noted.
- (2) That support be given to the current programme of activity that will assist over 5,000 people.
- (3) That support be given to the work being undertaken in continuing to tackle 'skills gaps', and to extend the existing central government and EU funded programmes that are commissioned, if there is an opportunity to do so.

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- (4) That the Committee's comments be taken forward in considering what should be undertaken when EU funding ceases.

15 QUARTER 4 PERFORMANCE REPORT (1 JANUARY TO 31 MARCH 2017)

Consideration was given to a report by Justin Brown (Commissioner for Economic Growth) and David Hickman (Growth and Environment Commissioner), which demonstrated that there had been good performance against the existing indicators for Environment and Economy. The report also suggested that the Committee might wish to use a new suite of indicators to help them to scrutinise performance against commissioning strategies in the future.

The Commissioner for Economic Growth highlighted that there were ten indicators relating to environment and economy: six to environment and four to economy. Of those ten indicators, six had been achieved and there had been "measured performance" against three of the indicators.

The only indicator that was not met was *the percentage of household waste recycled*. The Year End Total for 2016/17 was forecasted at 47.3%, however a total year rate of 46.8% was achieved.

It was highlighted that at the previous meeting of the Committee a discussion took place concerning the role for the Committee in shaping policy and scrutinising performance at a more strategic level. Therefore, the Committee supported officers in the work they were currently undertaking in producing a new suite of indicators, which would better reflect the commissioning strategies which were currently being prepared. It was expected that this work would be completed in September 2017 and be presented to a future meeting of the Committee.

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

- It was queried whether in relation to the measure on *Business Support by the Council*; there were any gaps in the coverage of support across the County. In response, the Committee was advised that the Council had commissioned a series of countywide programmes, which helped business leaders to grow their businesses. These programmes were delivered through the Growth Hub, which provided businesses across Lincolnshire with a wide range of support. However, it was highlighted that the visitor economy and the digital services sectors could benefit from additional support;
- An explanation was given as to why the measure on *The Percentage of Household Waste Recycled* had not been achieved, which included: the increase in the quantity of waste that was presented and the increased levels of contamination; the changes in the market, which had made it harder to sell contaminated waste; and that the aspirational target of 55% was set in 2008 through the Joint Municipal Waste Management Strategy, which was currently being refreshed with a suite of more realistic indicators;

- There was a need to encourage business locally and nationally, to reduce the level of packaging of products in the first instance, as this would assist with recycling levels. It was also highlighted the carbon footprint for recycling certain recyclables could be quite high and therefore it was necessary to strike a balance between recycling rates and the negative impact it could have on the environment through carbon emissions;
- The importance of recycling was highlighted and support was given for the reduction of carbon emissions to ensure a sustainable environment for the future;
- It was reiterated that the Committee would receive an item on the new suite of performance measures at a future meeting.

## RESOLVED

- (1) That the performance of ten measures, and the comments of the Committee, be noted.
- (2) That the production of a new suite of performance indicators for the Environment and Economy areas be supported.

16 ENVIRONMENT AND ECONOMY SCRUTINY COMMITTEE WORK PROGRAMME

Consideration was given to a report by Daniel Steel (Scrutiny Officer), which enabled the Committee to consider and comment on the content of its work programme for the coming year.

It was noted that the Committee was scheduled to receive an update on the *Heritage based tourism opportunities* at its meeting on 24 October 2017, which would identify priorities for building on Lincolnshire's strong heritage based tourism sector, including the Mayflower 400. Further to this, it was requested that this item also focused on the upcoming 400<sup>th</sup> Anniversary of the founding of Boston, Massachusetts.

## RESOLVED

That the Work Programme be approved, subject to the inclusion of any amendments made at the meeting.

The meeting closed at 3.25 pm.