



County Offices  
Newland  
Lincoln  
LN1 1YL

2 July 2018

**Environment and Economy Scrutiny Committee**

A meeting of the Environment and Economy Scrutiny Committee will be held on **Tuesday, 10 July 2018 at 10.00 am in Holland Room, Old Hall, Riseholme Park, Lincoln, LN2 2LG** for the transaction of the business set out on the attached Agenda.

Yours sincerely

A handwritten signature in black ink that reads 'Keith Ireland'.

Keith Ireland  
Chief Executive

**Membership of the Environment and Economy Scrutiny Committee (11 Members of the Council)**

Councillors B M Dobson (Chairman), Mrs W Bowkett (Vice-Chairman), B Adams, Mrs A M Austin, G E Cullen, M A Griggs, R P H Reid, S R Kirk, Mrs E J Sneath, C L Strange and Dr M E Thompson



**ENVIRONMENT AND ECONOMY SCRUTINY COMMITTEE AGENDA  
TUESDAY, 10 JULY 2018**

<b>Item</b>	<b>Title</b>	<b>Pages</b>
<b>1</b>	<b>Apologies/Replacement Members</b>	
<b>2</b>	<b>Declarations of Members' Interests</b>	
<b>3</b>	<b>Minutes of the previous meeting of the Environment and Economy Scrutiny Committee held on 22 May 2018</b>	5 - 12
<b>4</b>	<b>Announcements by the Chairman, Executive Councillors and Lead Officers</b>	
<b>5</b>	<b>Greater Lincolnshire Local Industrial Strategy</b> <i>(A report by James Baty, Economic Research, in connection with Greater Lincolnshire LEP's production of a Local Industrial Strategy (LIS) and sets out the steps that the LEP have taken so far in producing that strategy. As a founding partner of the LEP it is recommended that LCC plays a strong role in supporting the LEP's production of the Local Industrial Strategy)</i>	13 - 18
<b>6</b>	<b>Exporting in Lincolnshire</b> <i>(A report by James Baty, Economic Research, in connection with an overview of the recent analysis into exporting data, released by HM Revenue &amp; Customs)</i>	19 - 36
<b>7</b>	<b>Revitalising our High Streets</b> <i>(A report by Phil Hughes, Strategic Planning Manager and Simon Wright, Principal Regeneration Officer, in connection with some of the trends that are taking place in the nation's high streets. It makes specific reference to the work carried out by the Local Government Association into high streets, and it recommends the establishment of a working group to explore the issue in greater detail)</i>	37 - 44
<b>8</b>	<b>Economy Quarter 4 Performance Measures (1 January to 31 March 2018)</b> <i>(A report by Justin Brown, Commissioner for Growth, in connection with performance against the Economy indicators included as part of the Council's business plan)</i>	45 - 72
<b>9</b>	<b>Environment Quarter 4 Performance Measures (1 January to 31 March 2018)</b> <i>(A report by David Hickman, Growth and Environment Commissioner, in connection with progress against the indicators in the Council's business plan)</i>	73 - 88

- 10 Environment and Economy Scrutiny Committee Work Programme** 89 - 98  
*(A report by Daniel Steel, Scrutiny Officer, in connection with the Committee's Work Programme)*
- 11 Verge Biomass Project** 99 - 102  
*(A report by Vanessa Strange, Accessibility and Growth Manager, in connection with progress of the Verge Biomass Project)*

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**Please note:** for more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting

- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details set out above.

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**ENVIRONMENT AND ECONOMY  
SCRUTINY COMMITTEE  
22 MAY 2018**

**PRESENT: COUNCILLOR B M DOBSON (CHAIRMAN)**

Councillors B Adams, Mrs A M Austin, G E Cullen, R P H Reid, C Matthews, Mrs E J Sneath, C L Strange, Dr M E Thompson and R H Trollope-Bellew

Councillors C J Davie, R L Foulkes, D McNally and E J Poll, attended the meeting as observers

Officers in attendance:-

Paul Brookes (County Flood Risk Manager), Steve Brookes (Lincolnshire Broadband Programme Manager), Justin Brown (Commissioner for Economic Growth), Steve Blagg (Democratic Services Officer), David Hickman (Growth & Environment Commissioner), Charlotte Hughes (Project Leader (Client Team)), Jill McCarthy (Principal Officer Growth), Mary Powell (Commissioning Manager (Tourism)), Daniel Steel (Scrutiny Officer) and Ken Pratt (Principal Engineer)

(Note: The meeting was held at Stanhope Hall, Horncastle).

1 APOLOGIES FOR ABSENCE/REPLACEMENT COUNCILLORS

Apologies for absence were received from Councillors Mrs W Bowkett and S R Kirk.

The Chief Executive reported that under the Local Government (Committee and Political Groups) Regulations 1990, he had appointed Councillor R Trollope-Bellew and C Matthews to the Committee, in place of Councillors Mrs W Bowkett and S R Kirk, respectively, for this meeting only.

2 DECLARATIONS OF COUNCILLORS' INTERESTS

No declarations of interests were made at this stage of the meeting.

3 MINUTES OF THE PREVIOUS MEETING OF THE ENVIRONMENT AND ECONOMIC SCRUTINY COMMITTEE HELD ON 10 APRIL 2018

RESOLVED

That the minutes of the previous meeting of the Committee held on 10 April 2018, be agreed as a correct record and signed by the Chairman.

**4 ANNOUNCEMENTS BY THE CHAIRMAN, EXECUTIVE COUNCILLORS AND LEAD OFFICERS**

The Chairman paid tribute to Councillor A Bridges as the Chairman of the Economic Scrutiny Committee from 2013 to 2017 and the Environment and Economy Scrutiny from 2017 to 2018.

The Chairman stated that decisions made at the previous meeting of the Committee included letters from Councillor A Bridges sent to the following:-

- The Rt Hon Michael Gove – Brexit Strategy and Implementation – driving business innovation, creating growth and enabling sustainable rural communities in a Green Future.
- The Rt Hon James Brokenshire – Build Out Rate Concerns Within Housing in Lincolnshire and the importance of tackling the costs of utilities as part of housing and planning strategies.

Councillor C J Davie, Executive Councillor for Economy and Place made the following announcements:-

- Had attended the Belton Horse Trials and had taken the opportunity to meet investors of whom several were planning a commitment to Lincolnshire.
- Had follow up meetings with some of the regional contacts he had met at MIPIM, a major international annual property show and he had put one investor in touch with a landowner and was hopeful this would lead to additional housing investments in the county.
- Stated that economic opportunities continued to be encouraged with China. A Chinese delegation of business and economic leaders had visited Lincolnshire to explore specific investment opportunities. In the near future a further delegation would visit the University of Lincoln to pursue joint higher education opportunities. He hoped that there would be some good news to announce from the visits in the future.
- Had met the Federation of Small Businesses and had launched an initiative for local authorities to support small businesses. The Council had encouraged small businesses to bid for council contracts.
- Stated that the effects of changing shopping habits was having a serious impact on the High Street with more shoppers going on-line to purchase their shopping. He was attending the Local Government Association's (LGA) Environment, Economy, Transport and Housing Board and they would be examining the LGA's online toolkit for High Streets. He noted the Committee would examine this matter at their next meeting and encouraged Members to view the toolkit in advance of that meeting.

Executive Councillor C J Davie responded to comments by the Committee as follows:-

- In view of the changes taking place on the High Street there was a need for more variety on the High Street with opportunities to allow visitors to experience different things, for example, art galleries, etc.
- With regard to the issue of rents there were issues with absentee landlords in the retail sector.
- Agreed with the comments made about the changing retail scene on the High Street. The presence of eating and drinking places had led to High Streets becoming more vibrant. The additional residential accommodation being provided on the High Street and the business opportunities for young entrepreneurs were welcomed.
- In response to the closure of Banks he agreed that there was a need for the Government to take a stronger line with Banks following the support they had received during the financial crisis. He stated that the Government was moving to a cashless society but noted that many coastal resorts relied on cash for their survival.
- Noted that some local authorities had invested in hotels and similar businesses.
- Stated that the new North Sea Observatory in the Lincolnshire Coastal Country Park was due to be opened on 19 June 2018.

Tim Downing from Pygott and Crone stated that there was a renaissance taking place on the High Street with the presence of quality shops and good products on sale. He agreed that the visitor experience was important, agreed that Business Rates and parking were an issue and agreed that in some instances pedestrian schemes had taken away the vibrancy of High Streets.

## **5      MIDDLE RASEN FLOOD PREVENTION SCHEME**

The Committee received a pre-decision scrutiny report in connection with the Middle Rasen Flood Prevention scheme which was due to be considered by the Executive Director for Environment and Economy to take a decision in consultation with the Executive Councillor for Economy and Place. Officers stated that the main issues were in connection with traffic management associated for the scheme which would involve consultation with the local community.

Comments by the Committee and the responses of officers where appropriate, included:-

- Residents welcomed the scheme.
- The views of residents should be sought on the proposed traffic management and it was noted that a public consultation meeting had been arranged for June.
- It was important to give warning of the traffic management arrangements to local people and to people travelling from outside the area especially HGV drivers. Officers stated that they had detailed traffic management plans in

place to avoid "rat running" and that all Parish Councils in the area would be consulted about the traffic management planned.

- Should any work take place at the weekends then the contractor needed to provide a telephone number in case of an emergency.
- Officers stated that signage would be installed well in advance to warn motorists about the works and to warn them to avoid them not to rely on their sat-nav.
- Officers gave a brief explanation of the proposed project adding that it was proposed to double the capacity of the existing system to avoid future flooding.

#### RESOLVED

That it is recommended that the Executive Councillor for Economy and Place:-

1. approves in principle to proceed with the Middle Rasen flood prevention scheme;
2. receives the results of the public consultation on the traffic management plan and
3. delegates to the Executive Director for Environment and Economy, in consultation with the Executive Councillor for Economy and Place, the taking of all decisions necessary to give effect to the scheme up to and including the award of a contract for the works.

#### 6 BROADBAND PROGRAMME UPDATE AND RURAL BROADBAND PROVISION

The Committee received a report and a presentation on the latest situation in connection with the Lincolnshire Broadband Programme. Officers stated that coverage sat at approximately 93.5% superfast in the county in the second deployment and when the second one was completed the programme would have 97% coverage. Once the third deployment took place it was clear that consideration would have to be given to the use of alternative technologies to reach the most rural areas of the county. One of the main concerns was whether there would be sufficient funding available to achieve 100% coverage.

Officers stated in the future people and businesses would become more mobile and phones and tablets would be used more. The use of 5G would mean that fibre would become less used and the use of TV white space frequency would be used more as it was not impeded by buildings and worked well in a mobile society. The Council had got more funding from the additional take up of people using super broadband which could be used to fixed the problem of wireless access in rural areas.

Comments by the Committee and the responses of officers, where appropriate, included:-

- The increased use of fibre direct to the premises meant that connections to street cabinets and then on to premises had reduced in recent years.

- A letter should be sent to MPs who represented those areas where there was a poor broadband signal and to ask them to lobby Ministers to improve connectivity. Councillor R G Davies, Executive Councillor for Highways, Transport and IT, should also be asked to lobby the Executive and MPs about this matter.
- Even when broadband existed connectivity the signal was still poor in some areas and BT were informing people that the take up of new services was not sufficient to provide an improved service. Officers stated that when BT installed new technology to the existing street cabinet the infrastructure was not good. Officers suggested that communities needed to come together to provide evidence to BT on the poor connectivity they received.

The Committee supported the suggestion that MPs and the Executive Councillor for Highways, Transport and IT, should be asked to lobby Ministers and the Council's Executive, respectively, about connectivity in rural areas of Lincolnshire.

#### RESOLVED

(a) That the comments made by the Committee in connection with the progress of the Lincolnshire Broadband Programme, be noted.

(b) That a letter be sent to MPs representing those areas where there is poor connectivity to ask them to lobby Ministers to improve this situation and also that the support of Councillor R G Davies, Executive Councillor for Highways, Transport and IT, be sought to lobby MPs and the Executive on this matter.

#### 7 HOTEL INVESTMENT ACTION PLAN

The Committee received a report in connection with the outcomes of a report on demand and potential supply of new hotels in Greater Lincolnshire. The report explained that hotel developers wanted to achieve a significant commercial return and that the Council's role should be to build a strong relationship with potential developers while continuing to promote the growth of the tourism sector so that developers were confident in investing in the county.

Officers stated that there was a need to promote Lincolnshire for twelve months of the year, the need to invest in quality visitor attractions, the need to provide market evidence to show investors when they visited the county and that an electronic brochure was being produced to show the opportunities in the hotel and accommodation sector.

Comments by the Committee and the responses by officers, where appropriate, included:-

- Hotel investors were interested in refurbishing and converting old Coaching Inns into hotels.
- There was a shortage of hotel accommodation in Holbeach and Long Sutton areas. Was there an opportunity for District Councils to be more involved in identifying land for hotels? Officers stated that District Council Tourism Officers

had been involved in the research and that there was an opportunity for the fact file from the report to be disseminated to a wider audience across District Councils.

- Tim Downing stated that he, like other developers, continued to examine the prospects for hotel development across the county including places like Holbeach and supported the use of older buildings for hotels.
- It was noted that the Council was in the process of divesting itself of property in Boston due to rationalisation and cost savings. With suitable encouragement these buildings could be converted to hotels.
- There was a need to encourage local developers to attract visitors from the USA. Officers supported more local development but added that there was a desperate shortage of branded hotels in Lincolnshire which were attractive to both UK and foreign visitors.
- Had any research been done to find out why people did not come to Lincolnshire? Officers stated that for the first time research had been commissioned into why those who had never visited the county did not come to Lincolnshire and that this had provided some fascinating and helpful insights.
- Was there any information available on the website about Bed and Breakfast accommodation? Officers stated that this information was available on the website.
- The report was generic and was it possible to provide specific information on different areas of Lincolnshire, e.g. the coast? Officers stated that information on specific areas was available but some of the information was commercially sensitive.
- 120 properties for accommodation had been booked. for the Wolds Walking Festival.
- Many people booked their own accommodation independently to meet their own requirements.

The Executive Councillor for Economy and Place referred to the development of the Lincolnshire Coastal Country Park and the need to examine how businesses could be involved in the future development of the Park.

The Executive Councillor for Economy and Place stated that visitors to Lincolnshire had certain requirements and that it was important that Lincolnshire met the needs. He agreed that there were challenges on the coast and that these needed to be planned for.

#### RESOLVED

(a) That the comments made by the Committee on the commercial realities of hotel development in areas like Greater Lincolnshire be noted.

(b) That the actions proposed to promote hotel investment detailed in the report be endorsed.

8      TEAM LINCOLNSHIRE

The Committee received a report which explained and reinforced the Team Lincolnshire Ambassador Programme's objectives and provided a Two Year Activity plan for 2018/19 which outlined the benefits, events and activities available to Team Lincolnshire ambassadors.

Tim Downing gave his full support to Team Lincolnshire stating that the partnership had put Lincolnshire on the map and had provided sponsorship monies to support the Lincolnshire Enterprise Partnership's attendance at MIPIM, one of the world's leading property market events. He stated that 45% of interest in Lincolnshire came from outside the county and it was important that Councillors and officers gave their support in order to spread the word that Lincolnshire was an excellent place to invest.

Comments by the Committee and the responses by officers where appropriate, included:-

- Reference was made to the outcome of the Chinese delegation visit to Lincoln and the potential investment opportunities for Lincolnshire. Officers stated that Aberdeen Standard Life were due to meet another Chinese delegation when it visited Lincoln in the near future.
- Officers stated that the St Marks site in Lincoln was due to be redeveloped along with the old "Toys R Us" site.
- Was it possible to arrange a MIPIM event in the USA? Officers stated that there were currently no plans to attend property events arranged in the USA but this was being examined. Opportunities to attend an event in the Far East were also being investigated.
- The efforts made to ensure that all areas in Lincolnshire were aware of Team Lincolnshire were welcomed. Officers stated that they were going to do a road show to get the message across.

RESOLVED

(a) That the comments by the Committee on the purpose and scope of Team Lincolnshire be noted.

(b) That the proposed activity plan detailed at Appendix A be endorsed.

9      ANGLIAN WATER'S CONSULTATION DRAFT WATER RESOURCES  
MANAGEMENT PLAN

Further to the introductory report presented to the Committee on 10 April 2018, received a further report which outlined the key points proposed for the Council and its partners' response to the Water Resources Management Plan consultation and invited further discussion to ensure that Members continued to shape and guide the emerging response prior to submission on 1 June 2018.

**8**

**ENVIRONMENT AND ECONOMY SCRUTINY COMMITTEE**

**22 MAY 2018**

Officers stated that a full response would be circulated to members of the Committee and appropriate members of the Executive after the meeting and they welcomed responses by the end of the month.

RESOLVED

That Members be requested to let officers have their comments on the final consultation response by the end of the month.

10 ENVIRONMENT AND ECONOMY SCRUTINY COMMITTEE WORK PROGRAMME

The Committee received its Work Programme for consideration.

RESOLVED

That the Work Programme be received and updated accordingly following this meeting.

The meeting closed at 12.45 pm

(The Committee visited Mortons of Horncastle, Printers, in the afternoon)

**Open Report on behalf of Richard Wills,  
Executive Director for Environment and Economy**

Report to:	<b>Environment and Economy Scrutiny Committee</b>
Date:	<b>10 July 2018</b>
Subject:	<b>Greater Lincolnshire Local Industrial Strategy</b>

**Summary:**

This paper provides the Environment and Economy Scrutiny Committee with a progress report on Greater Lincolnshire LEP's production of a Local Industrial Strategy (LIS) relating to the paper presented at the Environment and Economy Scrutiny Committee on 16th January 2018. It explains that the government have asked all Local Enterprise Partnerships to produce a local industrial strategy, and it sets out the steps that the Greater Lincolnshire LEP have taken so far in producing that strategy. As a founding partner of the LEP it is recommended that LCC plays a strong role in supporting the LEP's production of the Local Industrial Strategy.

**Actions Required:**

Members of the Environment and Economy Scrutiny Committee are invited to:

1. Consider and comment on the content and direction of the Local Industrial Strategy with particular focus on the emerging priorities as set out in paragraph 10 sections A to E.
2. Identify any new areas of economic activity or developments that the LIS should take account of.

## **1. Background**

### **What is the Industrial Strategy and what is it trying to resolve?**

1. Fundamentally, the Industrial Strategy White Paper sets out a strategy that is aiming to address issues affecting low productivity and regional disparities to create growth and improve living standards across the country. Rebalancing the economy is a central theme, as Theresa May highlights in the introduction "for me it is not enough to see growth in the national economy if your local economy is shrinking."

## How is the Industrial Strategy seeking to address the UK's productivity gap?

2. The White Paper identifies five foundations of productivity as the “essential attributes of every successful economy.”
  - **Places:** focusses on reducing UK economic disparity and supporting all places to realise their potential. The role of Local Enterprise Partnerships, drawing together Local Authorities, Business and other local leaders, is a significant focus.
  - **Ideas (innovation):** focusses on increasing investment in R&D, boosting the ‘D’ research translation and improving linkages into local economies, strengths & clusters.
  - **People (skills):** focusses on improving the quality of technical education, the shortage of STEM skills, entrenched regional disparities in education and skill levels and ensuring that people (throughout their working lives) are not left behind by technological change.
  - **Infrastructure:** focusses on making investments more geographically balanced and becoming more forward looking in terms of significant global economic trends.
  - **Business Environment:** focusses on spreading best practice of the most productive businesses, access to finance, increasing exports, management and leadership skills.
  
3. The White Paper also proposes four Grand Challenges - developments in technology that are set to transform industries and societies around the world, and in which the UK is in a position to seek competitive advantage. These are:
  - a. **Artificial intelligence and big data:** e.g. the AI Sector Deal, an AI Council to support rapid adoption of AI technologies at scale, working initially in 6 sectors: cybersecurity, life sciences, construction, manufacturing, energy, agricultural technology.
  - b. **Clean growth:** e.g. low carbon technologies, transforming construction techniques to improve efficiency, improving efficiency of energy intensive industries.
  - c. **The future of mobility (public and private transport systems):** e.g. new modes of transport and business models, zero emission vehicles, self-driving technology.
  - d. **Meeting the needs of an ageing society:** e.g. supporting care providers to adapt business models to changing demands and develop new models of care, supporting new products and services for the growing global population of older people.

## Developing a Local Industrial Strategy

4. Local Industrial Strategies (LIS), to be developed in partnership with Government, are intended to help identify priorities to improve skills, increase innovation and enhance infrastructure and business growth. Eventually it is expected that they will guide the use of local and national funding streams such as the UK Shared Prosperity Fund, which will replace EU Structural Funds.

5. The White Paper sketches out a phased approach to LIS's with the first set to be agreed by March 2019. They are initially working with the Greater Manchester Combined Authority, the West Midlands Combined Authority and the Oxfordshire – in relation to the Oxford – Cambridge Corridor. In our ongoing discussions with Government Officials they remain interested in new locally led approaches to address the challenges of productivity and growth.
6. We have recently written to Greg Clark to update on our progress and state our ambition to be one of the next areas to work with the Government on a Local Industrial Strategy. A meeting is currently being scheduled with the Minister of State in BEIS, Claire Perry MP.

**How does a LIS fit against the Strategic Economic Plan and other ongoing strategies and delivery plans?**

7. The overall aim of the LIS is to future proof the economy and boost productivity by addressing the long tail of underperformance which has led to significant regional disparity. Clearly this means that there will be a significant degree of overlap with existing strategies and delivery plans – not least the GLLEP's Strategic Economic Plan.
8. It is therefore important that the LIS complements and engages with these activities while identifying targeted areas of focus where it can add value. Specifically, the LIS should:
  - Align with national Industrial Strategy - in terms of the above aim but also making use of the hooks provided by the 5 foundations of productivity and the Grand Challenges.
  - Identify local strengths and challenges, future opportunities and the action needed to boost productivity, earning power and competitiveness.
  - Focus on improving living standards as well as economic growth. It is not just about more jobs but more good quality jobs and better pay.
  - Be based on clear rationale for intervention – tightly targeted around specific problem that needs to be solved with clarity around why intervention will make a difference.
  - Take account of how the economy is evolving – e.g. identify how global trends – such as technological change, Brexit, globalisation and demographic change – are impacting on the local economy.
  - Identify new ways of working – potentially across sectors, actors, organisations and boundaries.
  - Take a partnership approach to identify what can be driven by businesses and local actors alongside national government support.
  - Be experimental (and build in effective measurement so that we know what works) – we are seeking to find new ways of promoting investment and boosting growth particularly in the context of a dispersed economy like Greater Lincolnshire.
  - Have a long-term focus.

## A LIS for Greater Lincolnshire

9. In Greater Lincolnshire we have been undertaking a number of activities to prepare for the development of a Local Industrial Strategy including:

- A research programme which has initially focussed on three main areas:
  - productivity at a macro level considering the varying productivity challenges that our sectors face;
  - assessing the potential impact of Brexit on our priority sectors factoring in various types of Brexit deal; and
  - a refreshed sector analysis to help us understand our business and employment make-up at a micro level including concentrations, specialisations and supply linkages.
- Discussions with key Council Committees and groups including Lead Economic Development Councillors, Leaders and Chief Executives and LEP Officers groups as well as Environment and Economy Scrutiny Committee
- A Strategy Day with LEP Board in December where we started to identify areas of competitive advantage that a LIS could focus on.
- We are one of the areas that the What Works Centre for Local Growth have selected to provide support to help develop a Local Industrial Strategy.
- A series of MP led Roundtable discussions with business on the Industrial Strategy in each of the Greater Lincolnshire constituencies.
- Discussions with other groups such as:
  - Federation of Small Businesses
  - Chamber of Commerce
  - Voluntary and Community Sector
  - Transport, Energy and Infrastructure Commissioners

10. Through these activities we are starting to define the following areas of focus:

- a. Food processing productivity:** Productivity increases in the food processing sector, automation and robotics.
- b. National Centre for Rural Health:** Linking with the Ageing Society Grand Challenge, the Centre is seeking to support the development of a cluster of businesses with expertise in the development of technological and service innovation around rural health and care.
- c. Future skills needs:** Building on the opportunity of our involvement in the Skills Advisory Panel and Career Learning Pilots we would like to develop an approach that builds the partnership between providers, businesses and the LEP to improve our capacity to plan for and deliver against future skills needs and test the impact of greater local control.
- d. Test bed area for rural energy solutions:** Linking to the Clean Growth Grand Challenge, we would like to work with the University to develop the SMART GRID Energy supply (farmers with renewable generation, waste conversion sites) and demand market (EV / Batteries and existing large energy users).
- e. Future proofing our sectors through digitalisation:** This could focus on supporting Lincolnshire companies to improve their digital capabilities in order to stay competitive.

## 2. Conclusion

This is an opportunity to further engagement with the development of the Local Industrial Strategy, ensuring that the Strategy effectively responds to local priorities.

## 3. Consultation

### a) Have Risks and Impact Analysis been carried out?

No

### b) Risks and Impact Analysis

N/A

## 4. Background Papers

Document title	Where the document can be viewed
Industrial Strategy White Paper	<a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/664572/industrial-strategy-white-paper-print-ready-version.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/664572/industrial-strategy-white-paper-print-ready-version.pdf</a>

This report was written by James Baty, who can be contacted on 01522550569 or james.baty@lincolnshire.gov.uk.

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**Open Report on behalf of Richard Wills,  
Executive Director for Environment and Economy**

Report to:	<b>Environment and Economy Scrutiny Committee</b>
Date:	<b>10 July 2018</b>
Subject:	<b>Exporting in Lincolnshire</b>

**Summary:**

This paper provides members with an overview of the recent analysis into exporting data, released by HM Revenue & Customs recently.

**Actions Required:**

Members of the Environment and Economy Scrutiny Committee are invited to:

- 1) Consider and comment on the findings of the report
- 2) Task officers with producing a report to the Executive Councillor for Economy and Place which explores:
  - a. What export support should we provide? How do we help more businesses to export?
  - b. How do we ensure the Department for International Trade understand the benefits of assisting Lincolnshire businesses export?

## **1. Background**

Exporting has always been seen as a fundamental way of businesses expanding their markets, becoming more profitable and growing. As such, exporting and importing is essential in driving economic growth. In the month of March 2018 alone, the UK exported £31.7bn worth of goods and services and imported around £43.3bn.

The level of exporters outside of the South East is seen to cause notable divergences across the country in terms of wages and standards of living, but also hampers productivity. Exporting businesses are shown to absorb innovation better and grow quicker than non-exporting businesses. Despite the importance of exporting to the economy, it has proven difficult to measure locally in the past.

The fundamental questions of who, what, where and how much have been hard to answer and as such it has been difficult to understand the impact of exporting locally.

In 2017 Her Majesty's Revenues and Customs (HMRC) released new data on exporting at English Growth Hub level, a geography which typically aligns with Local Enterprise Partnership (LEP) boundaries. This data gives us some new local insight into values, destinations and make up of our exports.

The report found that:

The total value of goods and services exported originating from Greater Lincolnshire businesses in 2015 was £2.9bn.

This equates to £6,797 per job on average, below the UK average of £9,403 but above other areas of the UK which have a similar economic make up to Lincolnshire.

Exporting accounts for 14 per cent of Lincolnshire's economic output, which is slightly below the UK's output, whilst our businesses who do export are doing well with the average exporter making £1.8m on their exported goods or services.

Just under two thirds of Lincolnshire's export market is the EU, with Belgium and the Netherlands standing out as the destination for £572m and £336m respectively. The USA is Lincolnshire's largest non-EU destination for export, with goods and services totalling £146m going to the USA.

Petro-chemicals and Food (including live animals) are the most exported goods by value from Lincolnshire.

Nationally we are seeing high growth in exporting to non-EU countries, particularly the USA (21 per cent growth over the past 5 years) and China (30 per cent over the past 5 years).

Lincolnshire County Council, via its leading role with the Greater Lincolnshire Growth Hub and Business Support roles currently offers support to exporters and potential exporters:

- Hosting a Department for International Trade (DIT) Going Global exporting event in May.
- Working with DIT to engage businesses with a knowledgeable local team of International Trade advisors via the DIT Exporting is GREAT scheme.
- Running an Internationalising International Trade programme, furthering the development and expansion of current and potential exporters via export taster programmes
- Greater Lincolnshire LEP Export Co-Investment Fund which offers grants towards language training, support for early stage exporters, legal advice, support in intellectual property protection, assistance with international marketing.
- Access to Sector specialist advisors in the Food, Manufacturing and Renewables industries.

To date GLLEP outputs for the project are:

- 312 enterprises receiving 12 hours + support
- 108 enterprises receiving grants
- 284 enterprises receiving non-financial support
- 98 new jobs created
- 8 new enterprises supported

This project is due to conclude on 30<sup>th</sup> September 2018.

## 2. Conclusion

Exporting is an important factor when trying to improve our economy's productivity, wage growth and standards of living. Greater Lincolnshire's performance, whilst below the national average, is competitive in relation to areas with similar industrial structure.

Lincolnshire County Council, via the GLLEP Growth Hub, have been actively supporting many businesses to help them reach or further their exporting potential. Members are asked to consider the points raised within the report in the context of Lincolnshire.

## 3. Consultation

### a) Have Risks and Impact Analysis been carried out?

No

### b) Risks and Impact Analysis

N/A

## 4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Exporting GLLEP 2018

## 5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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# Update on Exporting in Greater Lincolnshire



## Introduction

Historically, Local Enterprise Partnerships (LEPs) have struggled to understand what exporting means at the local level, in terms of who, what, where and how much. In turn this has made it very difficult to understand the role of exporting in the local economy and how important it is.

This lack of local level knowledge around exporting is a direct result of data only being released at regional level or above. However, very recently Her Majesty's Revenues and Customs (HMRC) have released some reasonably detailed data at English Growth Hub area level (a geography which in many cases aligns with the local LEP area) and it is the analysis of this data that makes up the bulk of this paper. As such it provides an update to the original 'Exporting Research Report' (<http://www.research-lincs.org.uk/lep-evidence-exporting.aspx>) which was based in the main on locally generated data.

Throughout the document reference and comparison is made with six LEP areas that have been identified as being those closest to the Greater Lincolnshire LEP profile in terms of opportunities and challenges centred around issues such as industrial structure, workforce, geography, and rurality. They are:

- D2N2 (Derby and Derbyshire, Nottingham and Nottinghamshire)
- Heart of the South West
- Humber
- Leicester and Leicestershire
- New Anglia
- Stoke on Trent and Staffordshire

## Headlines

- Greater Lincolnshire export levels (based on 2015 value) per job, per business, and relative to economic size, outperformed many of those of comparator areas and were slightly below the national average.
- Greater Lincolnshire is much more reliant on exports to the EU than its comparator areas and nationally.
- HMRC data suggests that the number of traders exporting in Greater Lincolnshire is higher than previous studies have estimated.
- The levels and types of business support on exporting being provided should be reviewed, both in light of published studies by the What Works Centre for Local Economic Growth, and the successes that other comparator areas are experiencing with the US market.

## Notes on HMRC Exporting data

- There may be some additional trade in exports to the European Union for those traders that are not required to submit full trade declaration. This cannot be allocated accurately to a specific geography below NUTS1 but accounts for approximately 3 per cent of all EU Export trade.
- Figures are based on the location of where the Head Office of the company carrying out the export is located.
- Some data has not been published as part of this dataset due to its disclosive nature.
- SITC refers to Standard International Trade Classification section by which export values can be broken down into at English Growth Hub level, and they are:

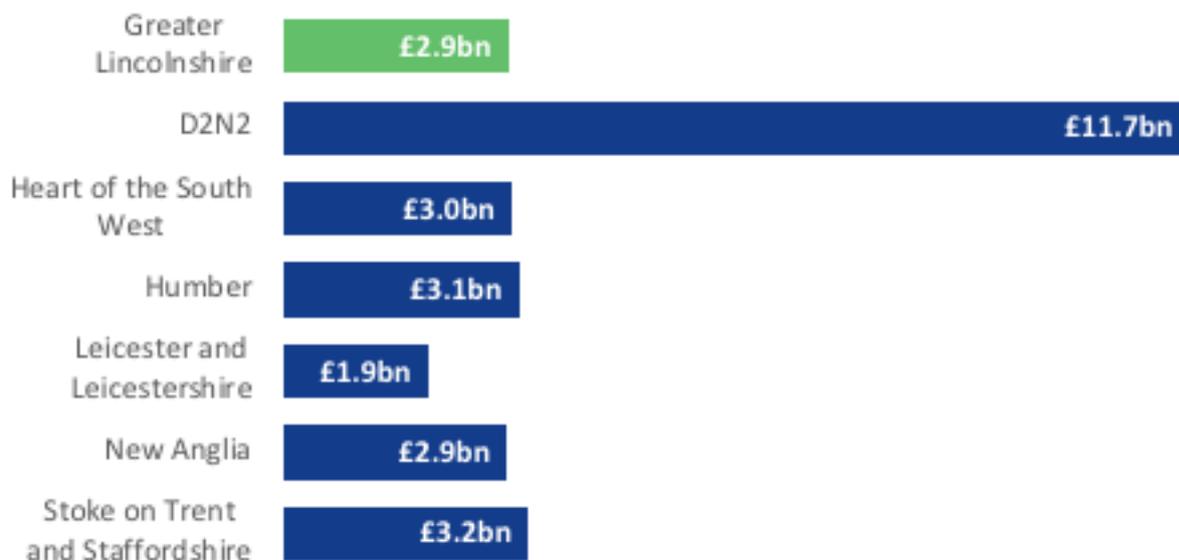
- 0 Food and Live Animals
- 1 Beverages and Tobacco
- 2 Crude Materials
- 3 Mineral Fuels
- 4 Animal and Vegetable Oils
- 5 Chemicals
- 6 Manufactured Goods
- 7 Machinery and Transport
- 8 Miscellaneous Manufactures
- 9 Other commodities nes

## Value of Exports

During 2015, Greater Lincolnshire businesses exported goods and services to the value of £2.9bn (one per cent of the £287bn exported by UK businesses in total). This figure compares favourably with most comparator LEP areas but is much lower than the £11.7bn exported by business in the D2N2 LEP area.

**Figure 1 – Value of Total Exports, 2015**

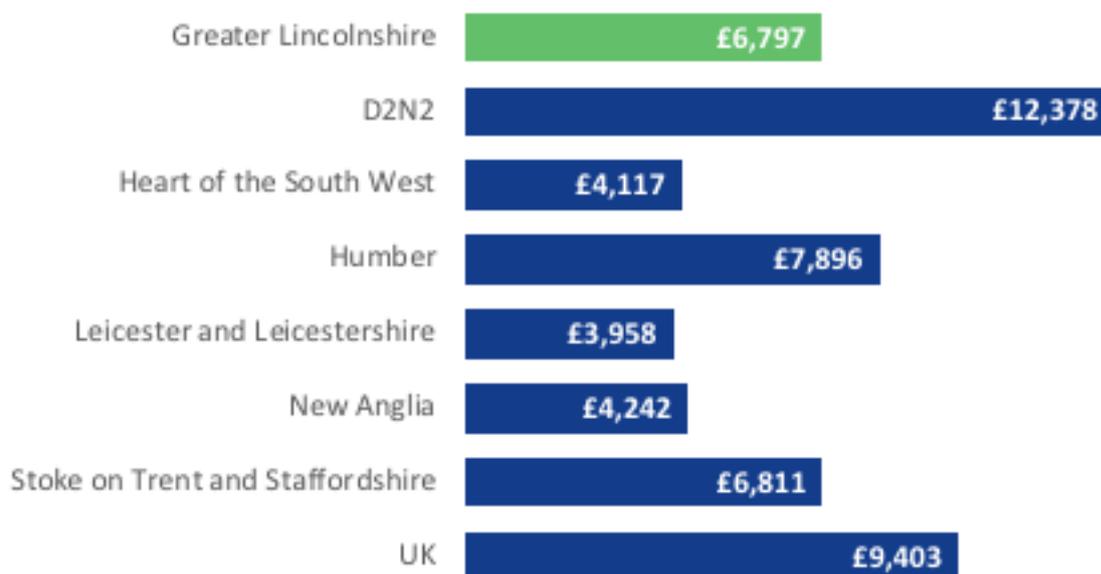
Sources: HM Revenues and Customs



In order to put this figure in some context then in figure 2 we have divided the total value of exports by the number of jobs in each economy in order to reflect the relative size differences. This has the effect of reducing the gap between D2N2 and other LEP area performances but still places D2N2 far out in front.

**Figure 2 – Value of Total Exports (2015) per job**

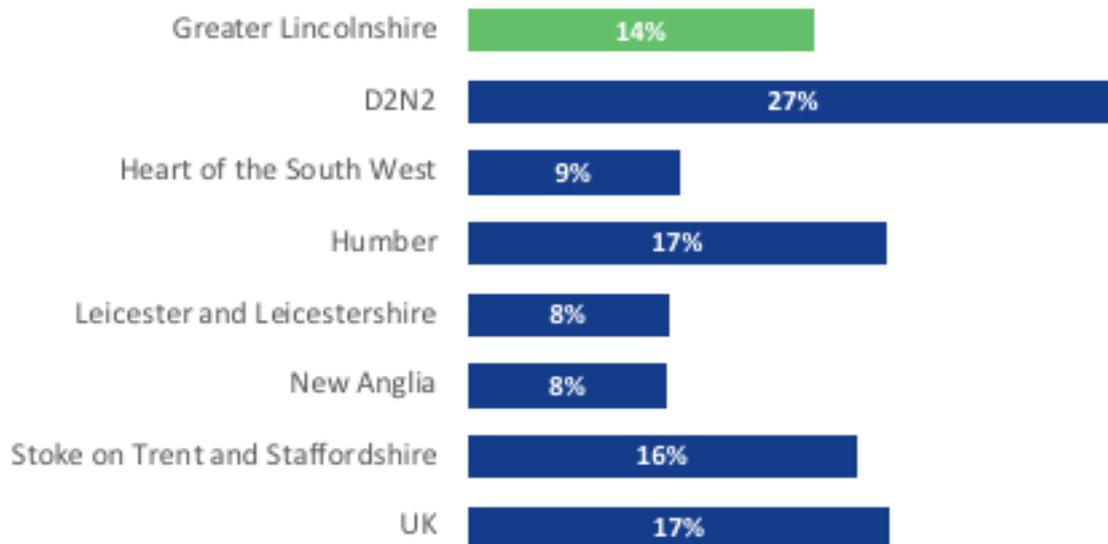
Sources: HM Revenues and Customs, and Office for National Statistics



Again, Greater Lincolnshire performs well on this measure when compared to its comparator areas but all (apart from D2N2) are well below the UK average. We see a similar pattern in figures 4 and 5 where export values are shown relative to the size of the economy (represented by value in terms of GVA – Gross Value Added), and per trader exporting.

### Figure 3 – Total Exports (2015) Relative to Size of Economy (GVA, 2015)

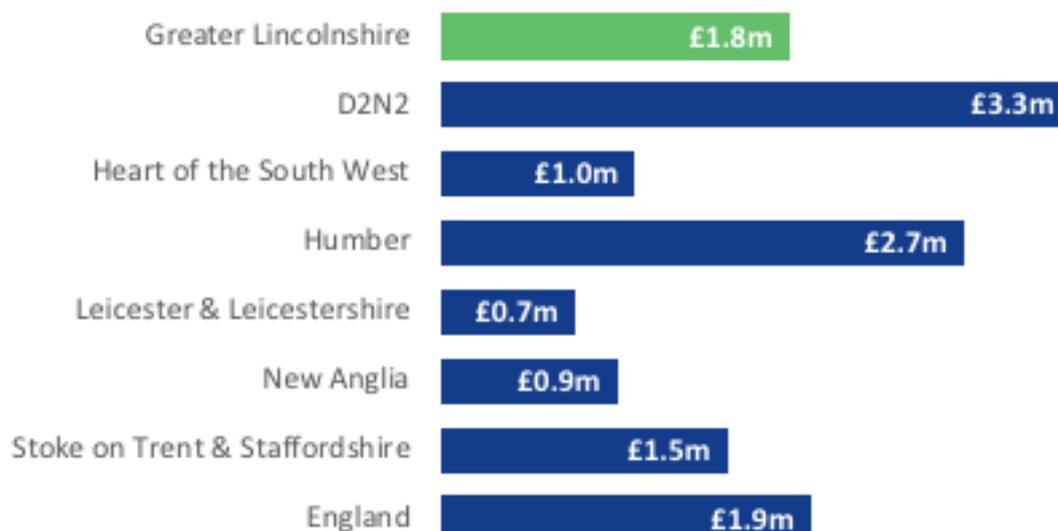
Sources: HM Revenues and Customs, and Office for National Statistics



What these figures demonstrate is that Greater Lincolnshire performs reasonably well on the value of exports it generates relative to the size of its economy. It performs much better than the LEP areas of Heart of the South West, Leicester & Leicestershire, and New Anglia; is broadly on a par with Stoke on Trent & Staffordshire; and is only slightly below national performance levels. On this basis Greater Lincolnshire should be receiving levels of exporting support from government departments at a similar level to other areas of the country, and if this is not the case then should be challenged.

### Figure 4 – Value of Total Exports (2015) per Exporting Trader

Sources: HM Revenues and Customs

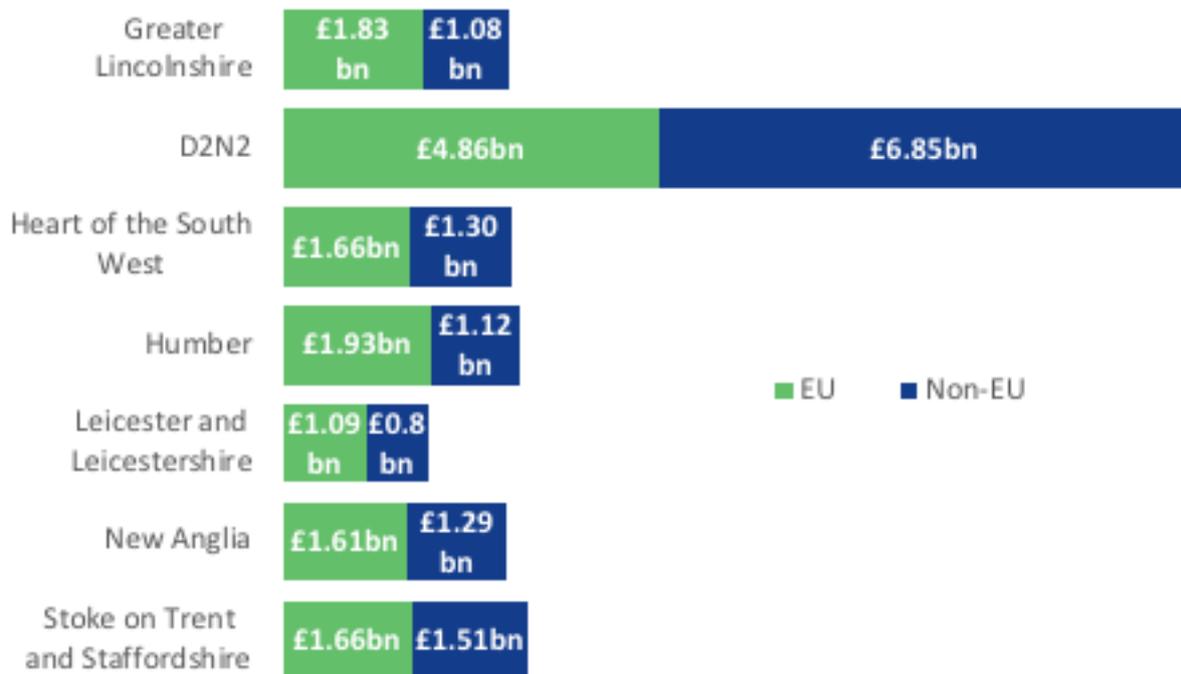


In figures 5 and 6, we split the total value of exports for each area by EU bound exports and those headed for the rest of the world (Non-EU).

Referring to figure 6 we can see that a greater proportion of Greater Lincolnshire’s exports (by value) go to the EU compared to all other comparator areas (apart from Humber LEP) including the UK average.

**Figure 5 – Value of Total Exports by EU and Non-EU, 2015**

Sources: HM Revenues and Customs



**Figure 6 – Percentage of Total Exports by EU and Non-EU, 2015**

Sources: HM Revenues and Customs

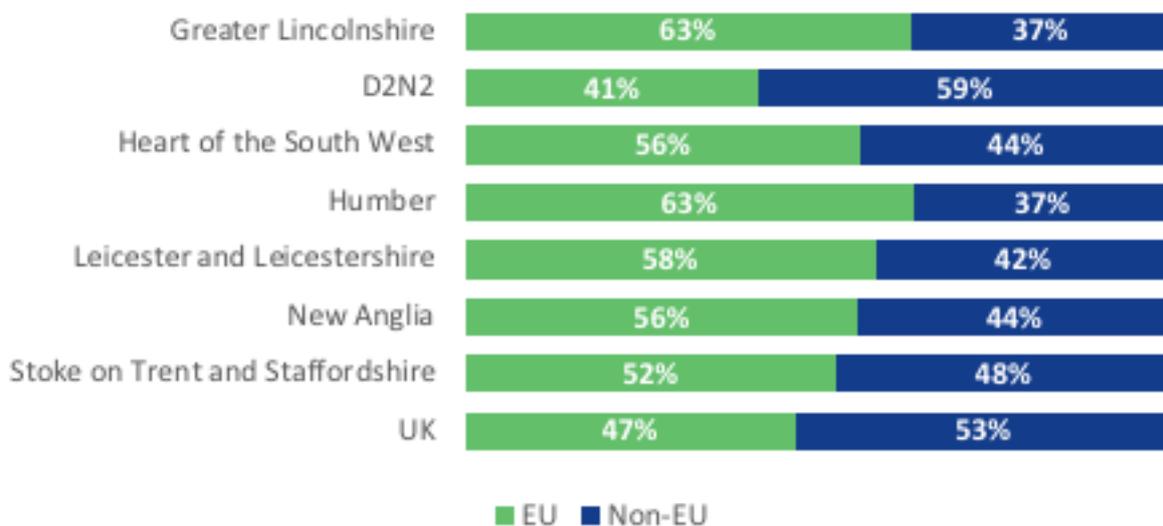
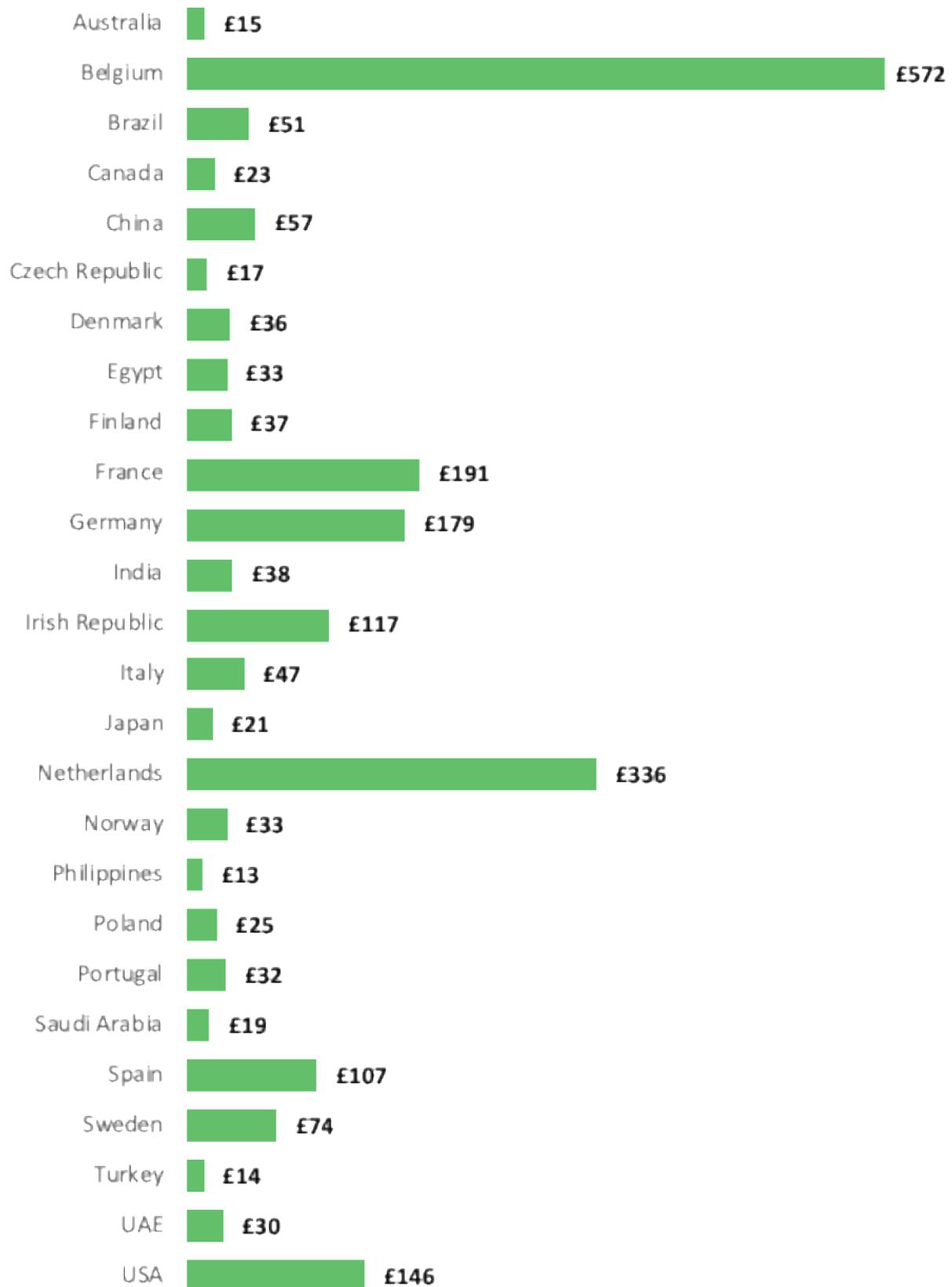


Figure 7 takes this country of destination data further and shows where Greater Lincolnshire goods and services are bound for across the globe by value, with the only Non-EU destination of note being that of the USA.

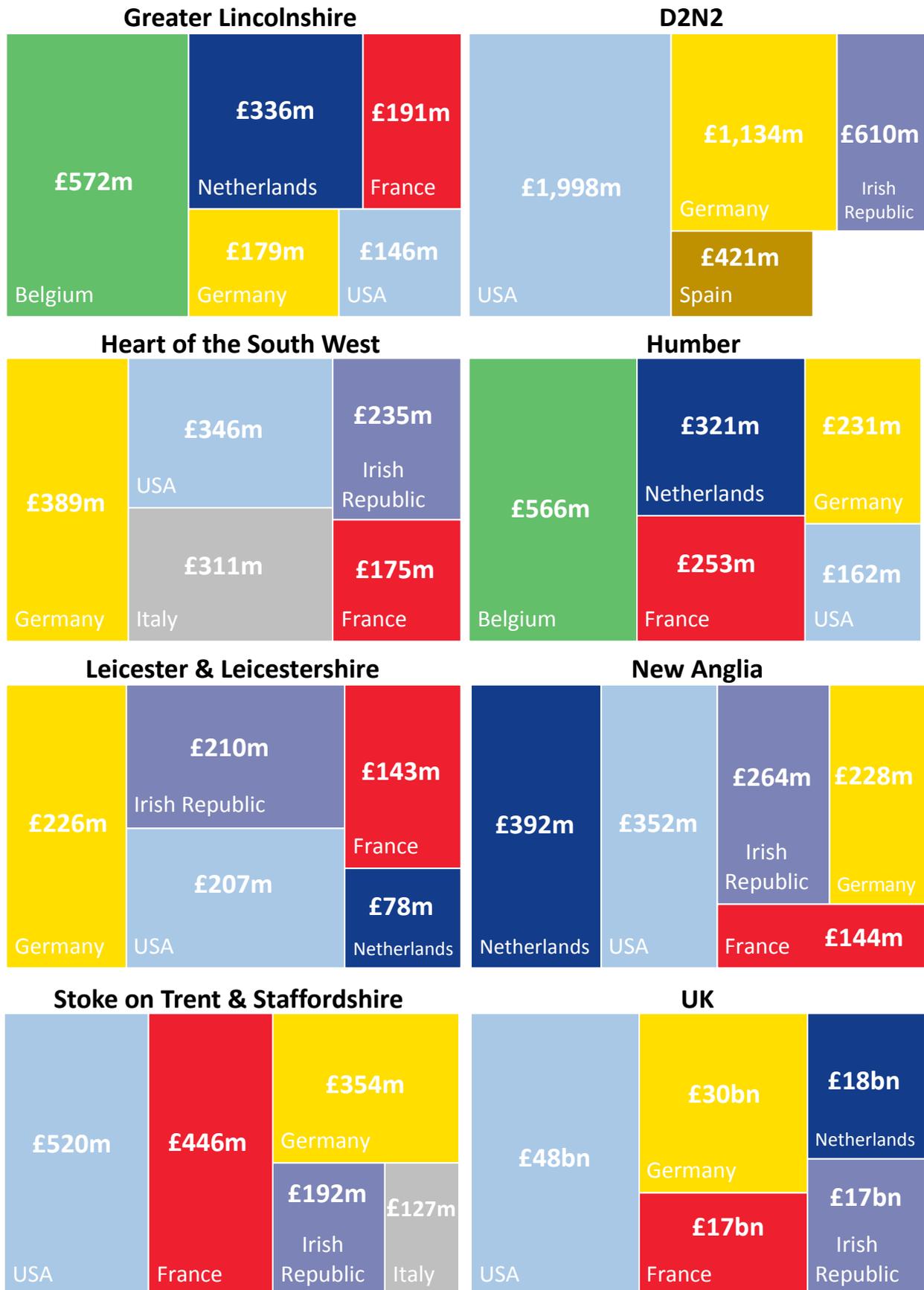
### Figure 7 – Greater Lincolnshire Exports (£m) by Country of Destination, 2015

Sources: HM Revenues and Customs



**Figure 8 – Top 5 Export Country of Destination by Comparator Areas, 2015**

Sources: HM Revenues and Customs

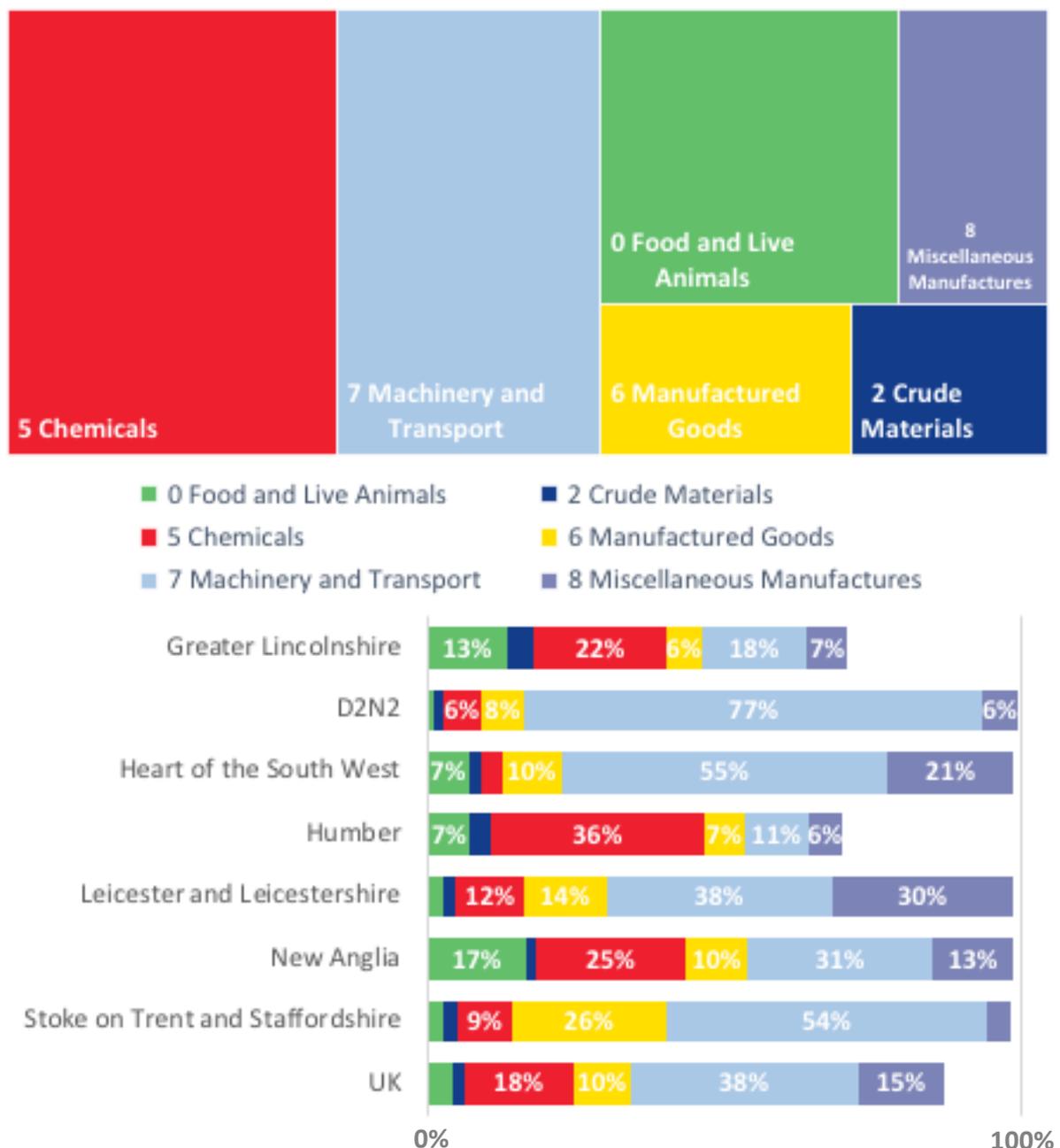


Referring to figure 8 then Greater Lincolnshire’s top 5 exporter destination profile is very similar to that of Humber LEP both in terms of countries and value (though the overlap in the two LEP areas will be playing some role in this). Also of note is that all other LEP comparator area export profiles are closer to that of the UK’s overall, with the USA featuring more prominently in all.

Figure 9 provides a breakdown of Greater Lincolnshire exports by value and by SITC code, and how this compares against the LEP comparator areas and the UK. Please note that we have omitted SITC codes 1, 3, 4 and 9, due to them having very low or zero values.

**Figure 9 – Greater Lincolnshire Exports by SITC Code and Value, and Exports by SITC Code by Comparator Areas, 2015**

Sources: HM Revenues and Customs



The first thing to note here is that a large proportion (around 29 per cent) of Greater Lincolnshire's exports are uncoded. This is also the same for Humber LEP, and to a lesser extent can be seen at the national level. Given the size of the unknown, and the fact that it occurs across overlapping LEP areas suggests that this information has been removed from the dataset due to its disclosive nature. However, what we can see from figure 9 is that all other areas (barring again the Humber LEP) have a much greater onus on Machinery and Transport exports than Greater Lincolnshire. Referring back to figure 8 and the fact these areas all exported more to the USA relative to overall exports value, suggests that this is a market with further potential for Greater Lincolnshire.

**Figure 10 – Exports by SITC Code, and EU and Non-EU, 2015**

Sources: HM Revenues and Customs

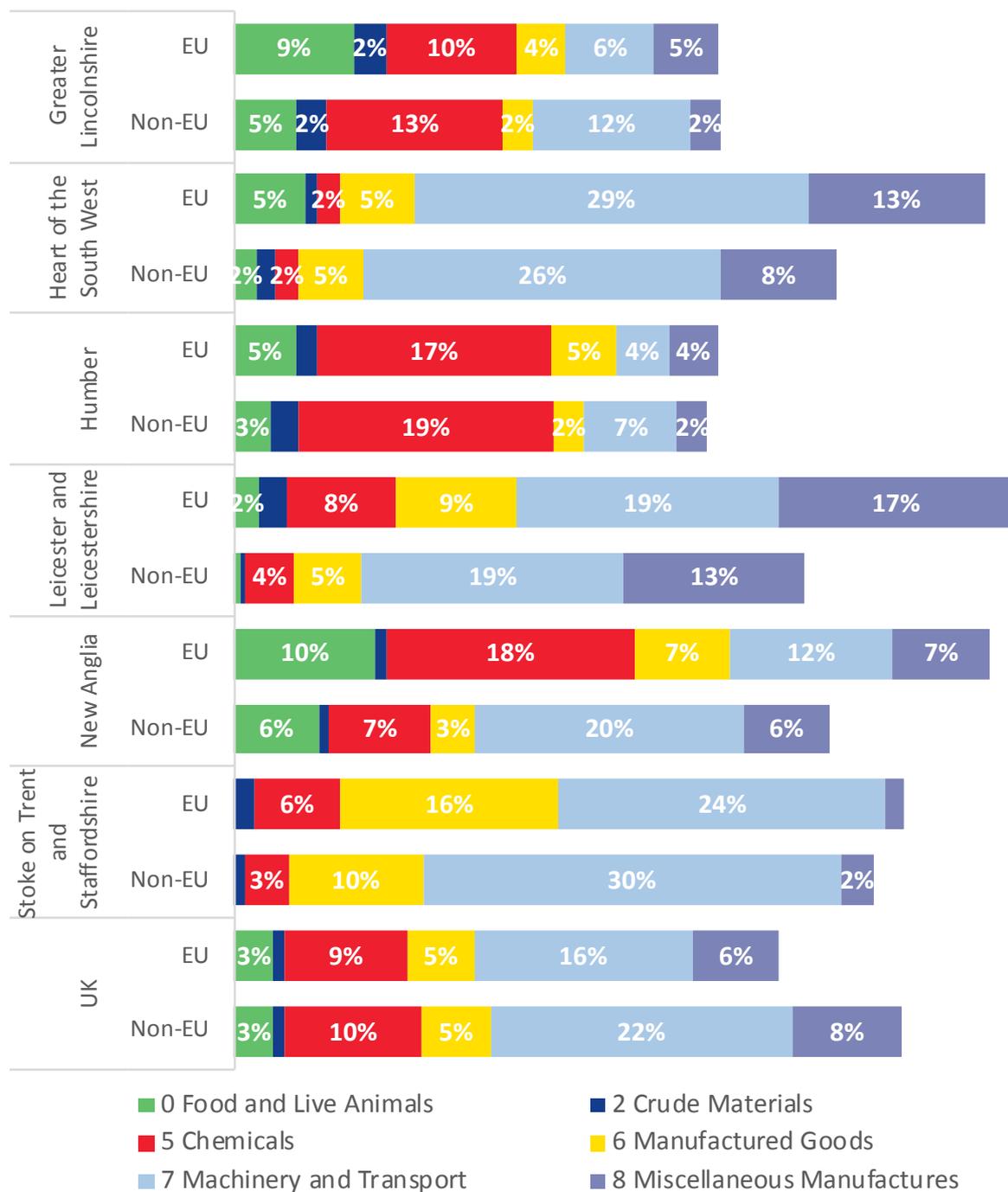
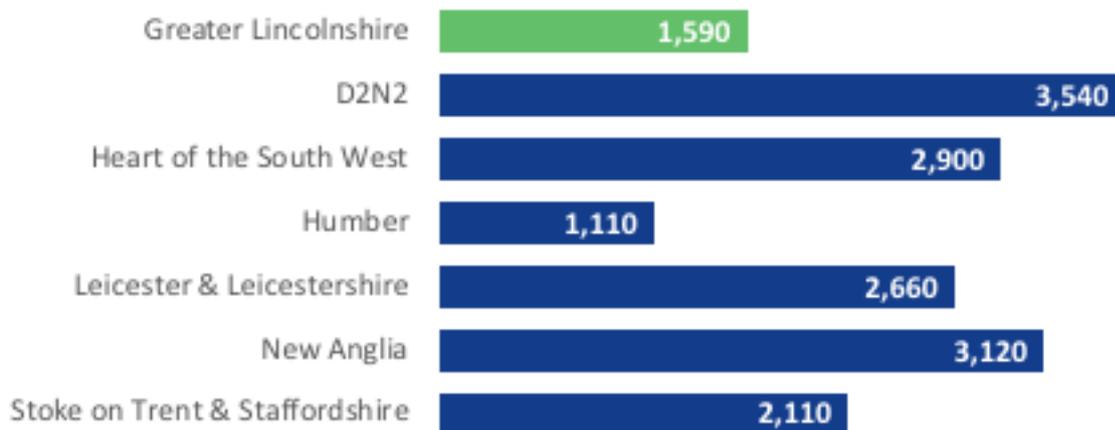


Figure 10 provides a breakdown of SITC by EU and Non-EU. Please note here that we have removed D2N2 LEP from the analysis due to data for the Machinery and Transport SITC code being removed from the HMRC dataset. This again suggests that this level of analysis was of a disclosive nature.

Figure 11 shows the approximate total number of trader exporting from each LEP area, including those not required to submit a full declaration. Of note here is the fact that the numbers reported by HMRC are much higher than the indicative numbers of firms that were put forward in the March 2017 Midlands Engine report on 'Exporting and International Trade across the Midlands Engine' (numbers in Greater Lincolnshire were placed at around 700, with 2,400 in D2N2, and 1,200 in Leicester and Leicestershire). However, we should note here that these lower numbers will in part be due to the Midlands Engine research only taking into account businesses that employed 5 or more people.

### Figure 11 – Total Number of Exporting Traders, 2015

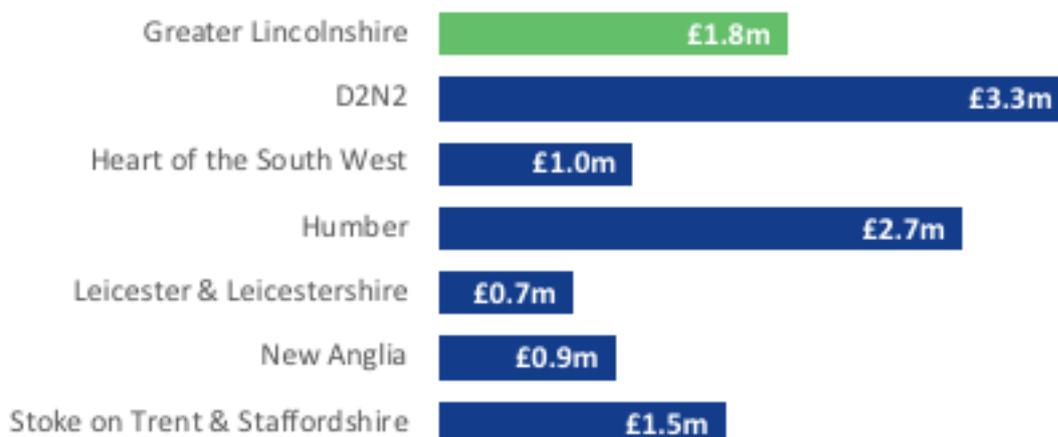
Sources: HM Revenues and Customs



Whilst the number of exporting traders in Greater Lincolnshire is low, figure 12 shows that they punch above their weight in terms of generating value when it comes to most of the comparator LEP areas.

### Figure 12 – Value of Exports per Trader, 2015

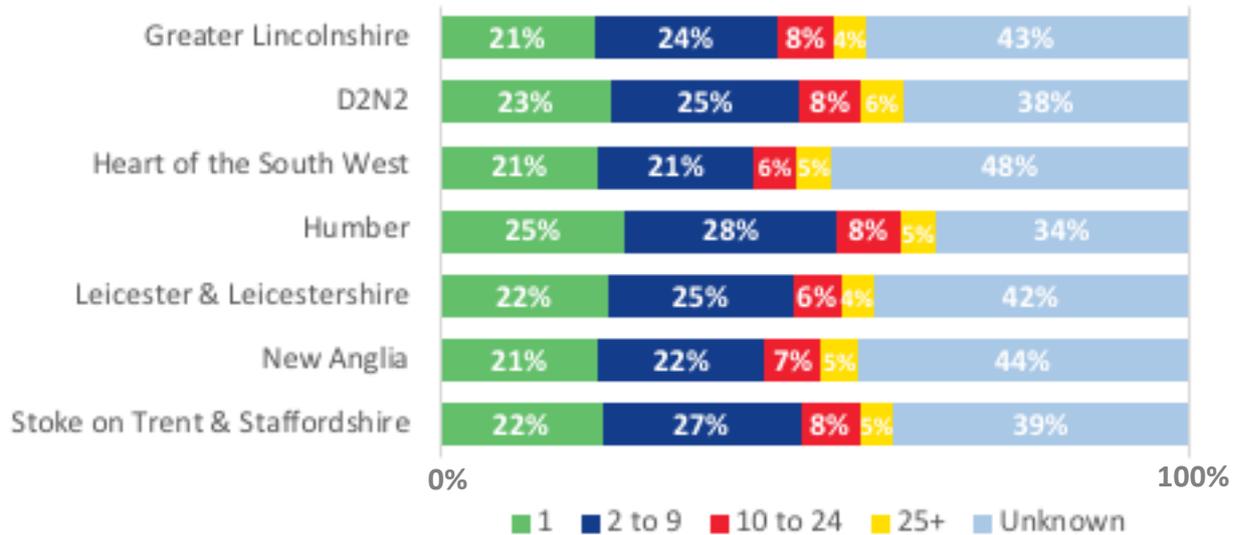
Sources: HM Revenues and Customs



The final element of the HMRC data is shown in figure 13, detailing the number of countries that exporters are trading with on an individual basis. For example, 21 per cent of Greater Lincolnshire traders only export to one country, with 24 per cent of traders exporting to between two and nine countries.

**Figure 13 – Number of Partner Countries by Traders, 2015**

Sources: HM Revenues and Customs

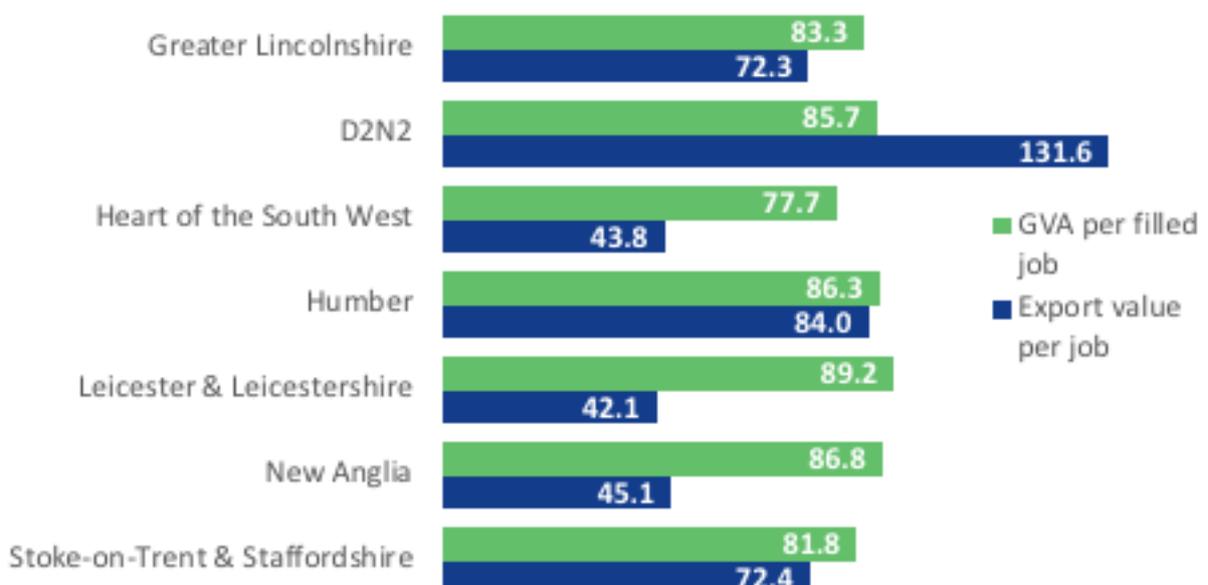


## Exporting and Productivity

The UK Industrial Strategy notes that “Businesses that export account for 60 per cent of the UK’s annual productivity growth, deliver stronger employment growth and pay higher wages than those that don’t”. Let us look then at both productivity and exporting performance across the LEP comparator areas relative to the UK (figure 14).

**Figure 14 – GVA per Filled Job and Export Value per Job 2015 Indices (UK=100)**

Sources: HM Revenues and Customs, and Office for National Statistics



D2N2 is clearly the largest exporter of the comparator areas by both value and relative to the size of its economy. However, if we consider productivity performance (measured by GVA per filled job) then D2N2 only features at number 28 (with one being the highest performing) out of 38 LEPs with areas such as Humber LEP (number 25), New Anglia LEP (number 24) and Leicester and Leicestershire (number 21) featuring higher in the performance table.

This raises a number of important questions. Firstly, D2N2 appears to be overperforming when it comes to exporting. How is it achieving this? We did note earlier on in this paper was that a relatively large proportion of its exports were made up of Machinery and Transport. Referring to the recent Greater Lincolnshire LEP report on productivity then the manufacturing sector was highlighted as an area with a sizeable productivity gap between Greater Lincolnshire and D2N2 performance (though the gap between Greater Lincolnshire and Humber performance was larger).

Secondly, are areas such as Heart of the South West, Leicester and Leicestershire, and New Anglia underperforming when it comes to exporting? i.e. productivity in these areas is higher than in Greater Lincolnshire but the value of exports per job is lower. If so, then any improvements in exporting in these areas could drive productivity improvements, ultimately surpassing Greater Lincolnshire performance and leaving it further behind.

## Next Steps - Support

Whilst the lack of data at the local level over time restricts us in identifying growth trends in particular export destinations, we can look at the national level for some pointers as to where to focus local support

Nationally, the total levels of exports by value has dropped by one per cent between 2011 and 2016. However, over this timeframe exports to Non-EU countries has grown by 12 per cent, to the US by 21 per cent, and to China by 30 per cent. In this sense, Greater Lincolnshire is right to forge stronger links with particular Chinese regions and may consider doing something similar with the US. This is more pressing now given that our trading relationship with the EU is about to change, and that EU countries make up a relatively larger majority of export destinations for Greater Lincolnshire than other comparator areas. We have also seen from the findings in the report that Greater Lincolnshire's comparator areas are more geared towards the US market. It goes without saying that some support will need to be geared to those traders affected by Brexit if only to assist them in adjusting to new and revised market regulations.

With the American market in mind, a glance towards what the D2N2 LEP is doing to achieve the exporting levels they are would be a useful exercise. Whilst again the lack of trend data prevents us from determining whether they have been successful in growing exports, the sheer size of value, and its focus on the US, should be prompting us to find out more.

However, we need to be mindful of the fact that the data available indicates that this success may be through one or two significant manufacturers and would be difficult to achieve in the Greater Lincolnshire area.

Finally, and considering what form exporting support to businesses should take, then the What Works Centre for Local Economic Growth (<http://www.whatworksgrowth.org/>) points out that based on the evidence available, Export Credit Agencies (ECAs - which help finance exports by providing direct credit, credit guarantees, or credit insurance) are more an effective and cheaper way of increasing levels of exports than by promoting export activity. You can find out more here <http://www.whatworksgrowth.org/resources/business-advice-toolkit-export-credit-agencies>

## Next Steps - Research

The data used in this report relates to 2015 and was released by HMRC in March 2017. March 2018 did not see the release of 2016 data and it is not currently clear whether HMRC are going to release any more exporting data at LEP level, something which would undoubtedly be useful in improving the understanding of trends in exporting at the local level.

One key element we are missing from the exporting jigsaw puzzle is information around volumes of exports. This information would enable us, when it comes to goods exported, to better understand where on the value chain exporters and LEPs are operating. For example, are D2N2 exporting vast volumes of low value machinery and transport equipment? Or is it actually very few but specialist and high value components that are driving export values that would be difficult to compete with or replicate?

The Office for National Statistics have taken notice and responded to LEP calls for better local information and more detailed information is beginning to be released. However, this is still an area where statistics can be improved and will need to be if LEPs are to better understand their local economies and drive export growth and productivity. As such, this is an area of development that Greater Lincolnshire LEP will continue to keep abreast of report on as new data is released.

## More Information

This paper was produced by Codename:Consulting on behalf of Lincolnshire County Council's Economy and Environment Research Team for the Greater Lincolnshire Local Enterprise Partnership (GLLEP).

The GLLEP evidence base on the Lincolnshire Research Observatory is the key source of analysis and intelligence for the GLLEP.

[www.research-lincs.org.uk/lep-home.aspx](http://www.research-lincs.org.uk/lep-home.aspx)



**Open Report on behalf of Richard Wills,  
Executive Director for Environment and Economy**

Report to:	<b>Environment and Economy Scrutiny Committee</b>
Date:	<b>10 July 2018</b>
Subject:	<b>Revitalising our Highstreets</b>

**Summary:**

This paper identifies some of the trends that are taking place in the nation's high streets. It makes specific reference to the work carried out by the Local Government Association into high streets, and it recommends the establishment of a working group to explore the issue in greater detail.

**Actions Required:**

That the Environment and Economy Scrutiny Committee:

1. Approves the creation of a time limited working group to identify the ways that LCC as an upper tier authority can support high street vitality.
2. Receives a report at a future meeting setting out the outcomes from the working group and any recommendations to be considered by the Executive Councillor for Economy and Place to improve high street vitality.

## **1. Background**

The High Street has recently experienced some high profile losses with some companies, disappearing altogether, Maplin and Toys R Us, while others are planning wide reaching store closures, House of Fraser and Marks and Spencer. There is evidence that some towns are being rejuvenated by an increase in independent retailers that have slowly moved in to replace high street chains, often with a focus on culture and leisure, e.g. Margate.

It is not all doom and gloom and there are signs of significant investment in the County including plans for Lincoln's Cornhill Quarter and the area around Sincil Street and Exchange Square which include proposals for a new four screen cinema and new retail space; a proposed new retail development in Sleaford; and ongoing vibrancy of Marshall's Yard in Gainsborough Evidence also suggests that big retail developers like British Land are investing in town centres and moving away from shopping centre development. Admittedly, this is being seen in the south east and often involves, large tracts of land in single ownership which is not

easy to replicate in market towns in Lincolnshire although there are plans for a Designer Outlet Village in Grantham.

The reasons for the changes affecting our High Streets are well documented and include:

- Increased use of the internet and online shopping. The market place includes a number of retailers with no physical stores, such as Boohoo and Asos while established high street stores are relying more and more on "e sales". The impact of digital technology will increasingly influence the changing role of the High Street in our towns.
- Rise in regional shopping centres which become "visitor attractions". (NB. The future of UK out of centre retail parks is uncertain with uneven changes in footfall. This is relevant because these are known to compete strongly with traditional high streets re. accessibility, (free) parking and comparison goods offer. US shopping malls are being demolished in favour of the more individualised destination retail experience e.g. historic Lincoln may have an edge over Meadowhall in future.)
- These factors are leading to an oversupply of retail units in many high streets and raising vacancy rates. This shift is likely to continue at a steady but gradual rate and our challenge is to view these changes as a positive evolution of the high street rather than a negative decline.
- This evolution of the High St is also manifest in the changing character of High Streets with the proliferation of other types of uses eg Betting Shops, Charity Shops, Coffee shops, hot food take-aways with differing views of the impact of such changes

Impact of business rates rises with the Federation of Small Businesses claiming that *"Rising business rates are threatening high streets all over the country. This is a regressive tax that hits firms before they've made their first penny in turnover, let alone profit,"* (Mike Cherry, Chairman of FSB). This evolution can be influenced in a number of ways:

- Encouraging independent retailers to enter the market with a focus on culture and leisure activities. This will help the High Street to become a place of "experiences". For example, Lincoln's Bailgate. Other examples where this strategy has worked in Altrincham in Greater Manchester, when in 2010 it was described as a "ghost town" with void rates at 30%. Now, voids are 7.9% compared with a national average of 12.2%. This change was led by investment in the town's market, a focus on food and drink, and investment in the public realm.
- Innovation by retailers and adapting traditional business models. For example, Next have introduced concessions such as Costa Coffee, florists and "Paint a Pot" into larger units to increase variety and dwell time.
- Online retailers are beginning to have a physical high street presence on the high street for collections and returns etc.
- Proactive intervention by local authorities. For example, purchasing strategic sites and premises and investing in the public realm. A good example of this is Grantham where SKDC and LCC invested in the public realm of the Market Place and Wide Westgate and made these areas less dominated by

motor vehicles which has helped many independent shops to become established.

As can be seen from the above, these measures will allow the evolution of the High Street to be seen as an opportunity rather than a threat, however, to be successful these steps will require strong leadership and investment.

There are varying examples of successful activity in Lincolnshire's high streets. Two of these are Marshall's Yard Gainsborough and Cornhill Lincoln.

#### Marshall's Yard, Gainsborough:

Marshall's Yard features historic listed buildings and sympathetically designed new structures, the courtyard setting creates a village square feeling, bringing together stunning architecture and over 35 leading retailers including Marks and Spencer, Prezzo, Costa, Clarks, Laura Ashley and the latest addition of Fat Face which opened in Easter 2018.

The Marshall's Yard site in Gainsborough was formerly occupied by the Marshall family's Britannia Iron Works which was founded in 1848. The company built steam engines and agricultural machines which were exported all over the world. During the First World War, the workforce grew to 5,000 to cope with the production of munitions.

After the war, traction engines, steam rollers and tractors became the focus once again. During the Second World War, the workshops produced military hardware, including midget submarines. Like many engineering companies, business declined during the 1970s and the factory closed in the 1980s.

In 2005, joint developers Prospect Estates and Dransfield Properties secured planning permission for the site. Dransfield Properties formed in 1992 specialises in retail led regeneration schemes. With a strong community ethos, they are committed to working in partnership with local stakeholders and employing local staff and companies on all developments.

The site's heritage is celebrated throughout with an old steam crane from the engineering works providing a dramatic entrance to Marshalls Yard, and information boards across the centre celebrate the history of this once internationally renowned hub of world class engineering. Construction began on 1 January 2006 and the centre opened in Easter 2007. The site was named Marshalls Yard by local schoolboy Alex Stephenson.

Its impact on the town was recognised by the British Council of Shopping Centres in December 2007, who gave it a gold award saying it was "a shining example of regeneration."

A challenge now for Gainsborough is to how to more effectively link Marshall's Yard into the rest of the town centre although the recent development of the new Lidl and a new town centre hotel are part of that ongoing development.

## Cornhill, Lincoln

The Cornhill Quarter comprises of a major refurbishment and new build retail and leisure development in Lincoln city centre, centred around Sincil street, which will include a brand new, four screen cinema.

The scheme is located adjacent to the new constructed, 1000 space, multi storey car park and public transport interchange to the east of the High Street.

In recent years, the area was "blighted" and suffered from a lack of investment because of uncertainty regarding redevelopment plans for the site. Following the decision not to pursue plans for a new purpose built shopping centre, the alternative scheme currently underway will integrate into the existing city centre much more sympathetically and provide an extra level of depth to the existing High Street which is often seen as being too linear to create an interesting visitor experience. This change in emphasis reflects the continued evolution of the shopping experience away from large, "anchor" stores and shopping centres to smaller niche offers.

The Scheme includes the Grade II listed Corn Exchange building originally constructed in 1879 which is now occupied by a number of established high street chains including Moss Bros and Thomas Cook. The building also includes a Cosy Club pub/restaurant which attracts customers throughout the day and also supports the evening economy.

The mid Sincil Street phase of redevelopment will comprise new retail units constructed behind the original façade which will be retained. It will provide circa 1,952 sq m (21,000 sq ft) of new space. Completion of this phase is expected in October 2018 and 372 sq m (4,000 sq ft) is already under offer.

The third phase of the scheme, known as Exchange Square, is expected to be completed in summer 2019 and will include a new cinema as well as approximately 2,561 sq m (27,554 sq ft) of retail space.

In summary, the redevelopment already underway will compliment and add interest and variety to the existing city centre offer provided by the High Street, St Marks Square and the Waterside Shopping Centre where many national retailers are already based.

Local Authorities will increasingly play a strong role in leading this evolution and can influence a number of important factors that affect our town centres.

One of these factors is the planning system. The latest version of NPPF provides a traditional approach to town centre development with references to hierarchies and sequential tests. Given the fundamental changes currently experienced in consumer behaviour and the online threat to bricks and mortar retail outlets, it is doubtful this approach will remain relevant for very long. The retail and leisure sectors are difficult to forecast because of the unpredictability of consumer tastes and the ability of the industry to respond innovatively. However, the concept of a town centre as a physical and social presence is worth protecting in its role as meeting place and provider of jobs.

A more flexible approach to retail (i.e. shopping) in particular may require displacement by other commercial activities and some re-engineering to accommodate increasing use of town centres as leisure destinations in which to spend time (rather than money) individually and communally. For example, as an accident of history, most English town centres do not benefit from large public squares and are characterised by linear high streets. This provides opportunities for improving the public realm and more continental style outdoor activities.

The Local Government Association has recently produced a toolkit to help local authorities to understand the various steps that they could make in supporting high streets through this period of change. The toolkit shows that more responsibilities are at district than county level, but nonetheless it is a useful description of the issues that should be addressed:

<b>Foundation</b>		<b>Responsibility</b>
Evidence and objectives	Has a baseline survey of issues been completed, aims defined, objectives, scope and long-term monitoring of impacts agreed?	District Local Plans and surveys
<b>Function</b>		
Parking, travel and access	Is an integrated and customer-focused parking, travel, and access strategy in place?	District and County parking strategies and Local Transport Plan
Planning and property	Are there robust town-centre-first policies, master-planning, priorities within and between towns and has work been coordinated with town centre businesses and landlords?	District Local Plan, Development Management and where appropriate business improvement district groups
Streetscape and public realm	Has a funding strategy and ongoing, prioritised streetscape and public realm improvement plan been agreed with an understanding of 'connected value'?	County Highways
Business Support	Is there tailored training/mentoring and a strategy to enhance the quality and distinctiveness of retail, services, hospitality and leisure businesses based on current provision, trends and knowledge of competing centres?	County Economic Development, Trading Standards, and where appropriate business improvement district groups

Place branding and marketing	Is there a clear understanding of the town brand with pooled budgets and a creative, collective marketing campaign?	Districts and where appropriate business improvement district groups
Digital technology and data	Is there an ongoing assessment of digital infrastructure and skills with an investment plan and approach for the collective use of data in marketing and monitoring the town centre?	Districts, County and where appropriate business improvement district groups
<b>Form</b>		
Governance and influence	Is there an appropriate structure, membership and credibility to coordinate local stakeholder activity and influence cross-departmental or other strategic partnerships?	Districts, and where appropriate business improvement district groups
<b>Folk</b>		
Community engagement and coordination	Is there strong public, private and community engagement with active and coordinated involvement in planning and delivery that extends to community assets development and is backed by a clear communications plan?	District Local Plans and Development Management
Roles and capacity	Are there an effective chair, suitably skilled board, employment of necessary staff, effective management of trained volunteers and clear lines for joint working with other stakeholder groups?	Districts and where appropriate business improvement district groups
<b>Funding</b>		
Finances and investment	Is there an organisation with robust financial procedures and strategy agreed for diverse and sustainable fund raising and income to support a town centre? Is it 'run as a business' with inter-relationships understood and investment secured?	Where appropriate business improvement district groups
<b>Forward Planning</b>		
Strategy and plans	Is there a well-defined 'forward framework' comprising an overarching vision/strategy, a rolling organisational business plan and a parallel action plan co-ordinating delivery on the ground?	District Local Plans and Area Action Plans

It is clear from the Local Government Association's work that there are several actors who have an important role to play in supporting retailers and residents. Within LCC these include Highways, Economic Development, Policy Planning, and Trading Standards.

### **Establishing a Working Group**

Given the importance of issues relating to the high street it is important to examine how LCC's various services support high street revitalisation. A working group would enable this to happen.

The working group will be supported by those council departments that have a direct impact on High Street vitality: Environment and Economy, Trading Standards, Highways, etc.

It is recommended that the Environment and Economy Scrutiny Committee approve the creation of a time limited working group to identify the ways that LCC as an upper tier authority can support high street vitality.

## **2. Conclusion**

There are substantial changes taking place on the high street. Many of those are not issues that LCC has responsibility for, but nonetheless it will be useful to examine how LCC's various services support high street revitalisation through the formation of a working group.

## **3. Consultation**

### **a) Have Risks and Impact Analysis been carried out?**

No

### **b) Risks and Impact Analysis**

N/A

## **4. Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Simon Wright, who can be contacted on 01522550599 or [simon.wright@lincolnshire.gov.uk](mailto:simon.wright@lincolnshire.gov.uk).

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**Open Report on behalf of Richard Wills,  
Executive Director for Environment and Economy**

Report to:	<b>Environment and Economy Scrutiny Committee</b>
Date:	<b>10 July 2018</b>
Subject:	<b>Economy Quarter 4 Performance Measures (1 January to 31 March 2018)</b>

**Summary:**

This report provides members with a report on performance against the Economy indicators included as part of the council's business plan. It also provides some economic context to why the services that we deliver in support of those indicators are relevant. The report shows that the four indicators were met in 2017/2018.

**Actions Required:**

The Committee is asked to consider and comment on the detail of performance contained in the report and review the progress made against each indicator.

## 1. Background

Economic development can often be seen as being concerned with helping businesses to grow, training people to have the skills that businesses need, attracting the funding to achieve these aims, and ultimately creating and safeguarding jobs. The four council business plan indicators record our progress against these indicators.

As can be seen from the attachment, the council has met and indeed exceeded its four Economy indicators as follows:

1. Businesses assisted -1006 were supported against a target of 750
2. Qualifications achieved -1076 were achieved against a target of 630
3. Funding attracted -£48.349m was attracted against a cumulative target of £35.000m
4. Jobs created and safeguarded -375 were created/safeguarded against a target of 202

Performance against all of the indicators has been strong. It is important, though, to ensure that the activity that is undertaken is still relevant. Greater Lincolnshire Local Enterprise Partnership has recently produced its annual "State of the economy" report, a summary of which is attached. Whilst the report covers the

whole of the LEP area (i.e. it includes the unitary areas of North Lincolnshire and North East Lincolnshire), it nonetheless provides a very useful indicator of the economy and of the activity that is undertaken by LCC.

The LEP report shows that:

- There has been economic growth across the whole of the LEP area, with the Lincolnshire county area's economic growth being closest to the national picture
- Employment growth has been positive, and the Lincolnshire county area is closest to the England position

Both of these findings demonstrate why it is important for LCC to continue to train people in the skills that businesses need, that way individuals will gain employment and businesses will not be constrained by a lack of skills. They also show that our success in creating/safeguarding jobs is in line with the economic situation.

The LEP report also shows that:

- Productivity grew slightly in greater Lincolnshire but not as quickly as the national average
- The number of businesses grew in Lincolnshire, but again this was below national levels

Both of these findings demonstrate that there is a need to continue to support businesses, and that programmes which assist with business start up and with business transformation should be prioritised. These are both delivered by the [www.businesslincolnshire.com](http://www.businesslincolnshire.com) Growth Hub.

It goes without saying that the attraction of funding to expand services during a period of reduced public finances should continue to be relevant.

## **2. Conclusion**

In conclusion, progress has been good against all four Economy indicators. All four have been exceeded. A review of the Greater Lincolnshire LEP's recent "State of the Economy" report shows that the indicators and activity that leads to them remains relevant.

## **3. Consultation**

### **a) Have Risks and Impact Analysis been carried out?**

No

### **b) Risks and Impact Analysis**

N/A

#### 4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Quarter 4 Economy Performance Measures
Appendix B	The Annual State of the Economy Report 2018

#### 5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Justin Brown, who can be contacted on 01522550630 or [justin.brown@lincolnshire.gov.uk](mailto:justin.brown@lincolnshire.gov.uk).

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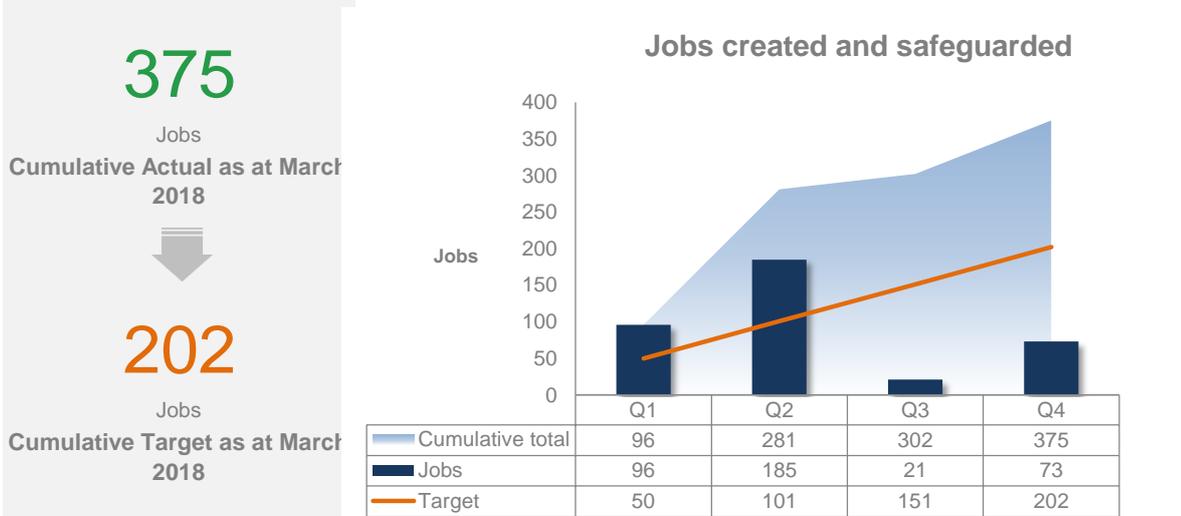
 Businesses are supported to grow

Jobs created as a result of the Council's support

**Jobs created and safeguarded**

Number of jobs created and safeguarded as a result of the Council's support.  
A higher number of jobs created and safeguarded indicates a better performance.

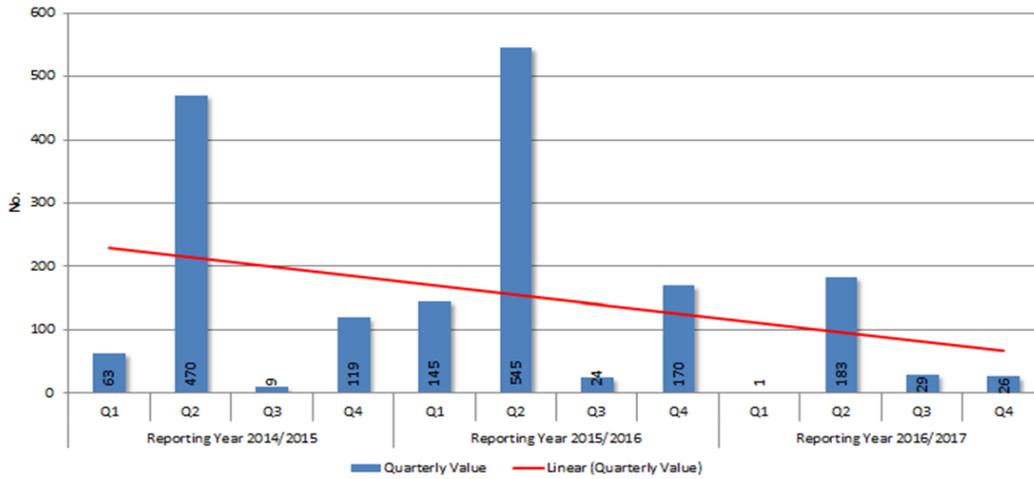
 **Achieved**



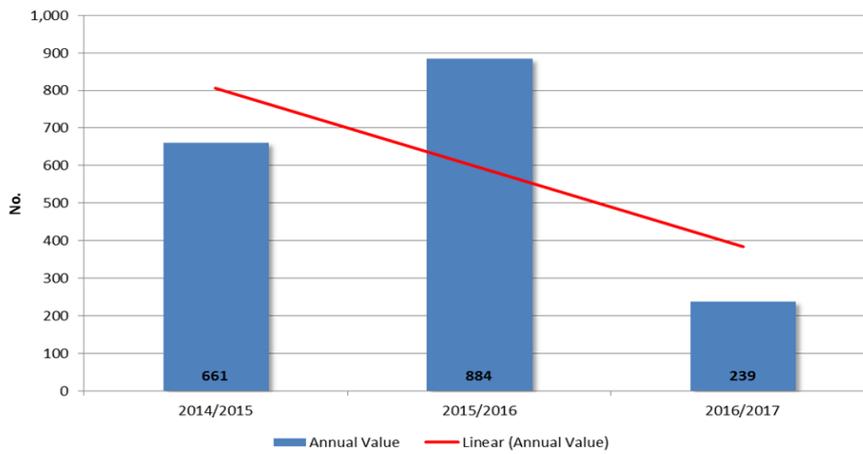
About the latest performance

One of the main aims of economic development is to create and safeguard jobs. We do this by advising businesses, providing finance and premises for businesses, and signposting businesses to support that can help them to meet their growth plans. Our work in this regard is delivered through a strong partnership between Lincolnshire County Council and Greater Lincolnshire Local Enterprise Partnership. As of Quarter 4, we have helped businesses to create and safeguard 375 jobs. In the last quarter this has included 40 jobs being created and safeguarded by companies moving into our business centres, and 33 jobs being created by our support to businesses across Lincolnshire.

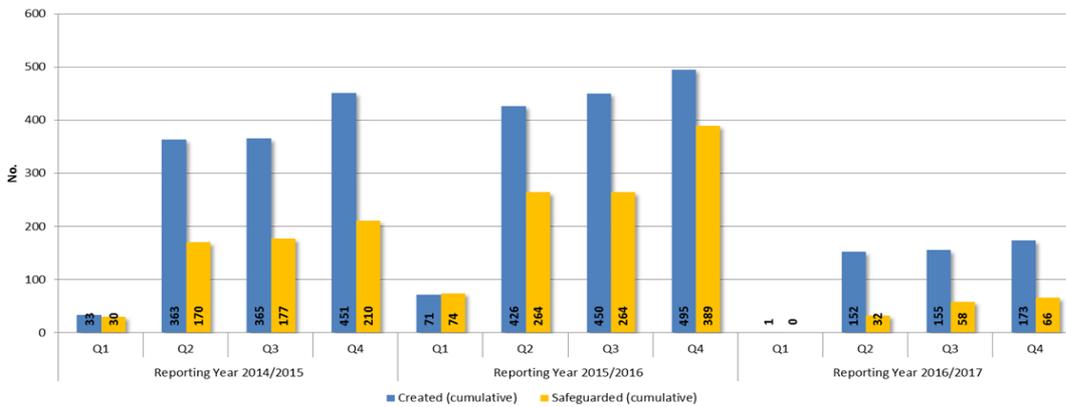
**Jobs Created and Safeguarded  
Quarterly Value**



**Jobs Created and Safeguarded  
Annual Value**



**Jobs Created and Jobs Safeguarded  
Cumulative Comparison**



#### About the target

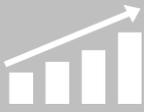
The council commissions a series of programmes which help business leaders to grow their business. This includes the building of business sites and premises for selling or renting to businesses which are growing. We do this in order to create jobs in the county, and the jobs are counted in this target. The target for this measure will be reviewed for the 2018-2020 Council Business Plan.

#### About the target range

No target range has been set for this measure.

#### About benchmarking

This measure is local to Lincolnshire and therefore is not benchmarked against any other area.

 Businesses are supported to grow

Jobs created as a result of the Council's support

Businesses supported by the Council

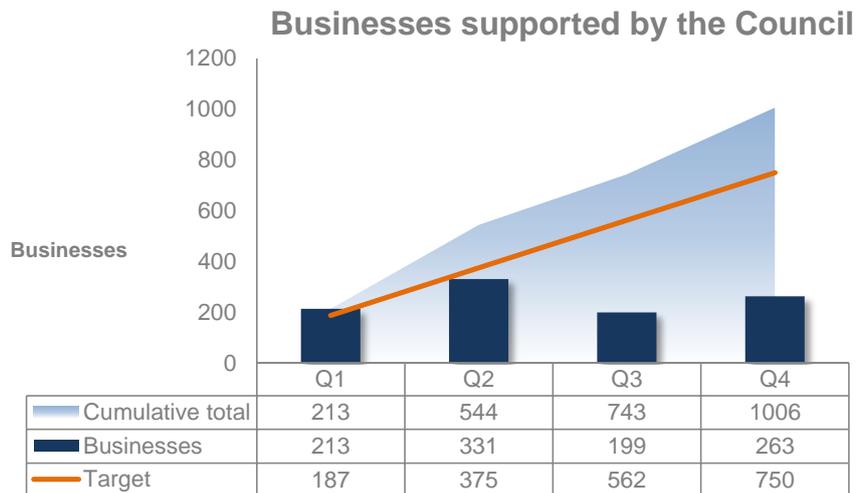
Number of businesses who receive direct support and advice from services the Council commission. A higher number of businesses supported by the Council indicates a better performance.

 **Achieved**

**1,006**  
Businesses  
Cumulative Actual as at March 2018



**750**  
Businesses  
Cumulative Target as at March 2018

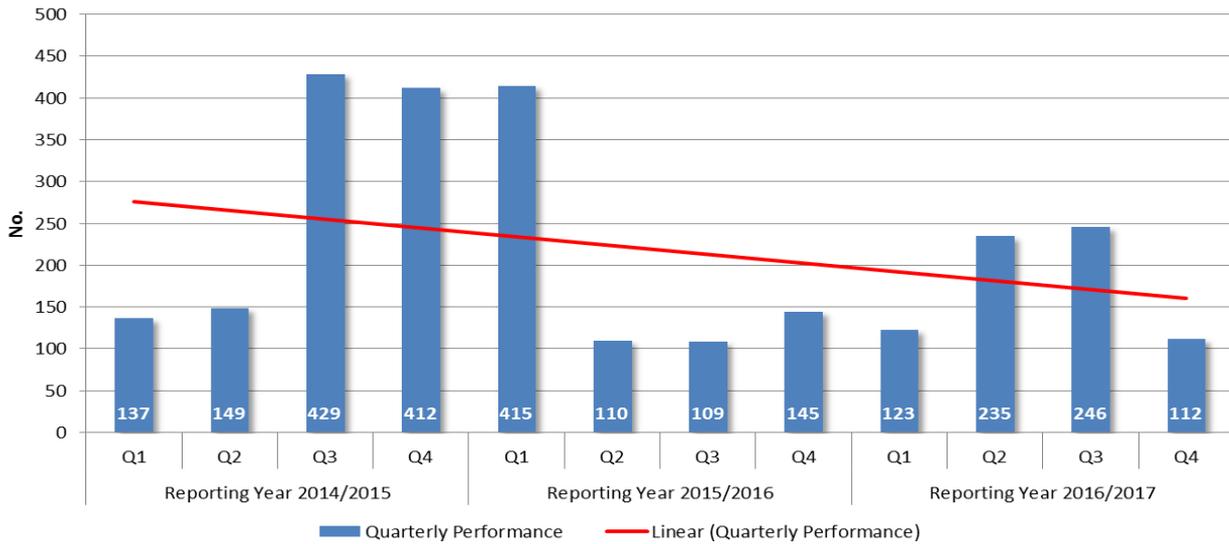


About the latest performance

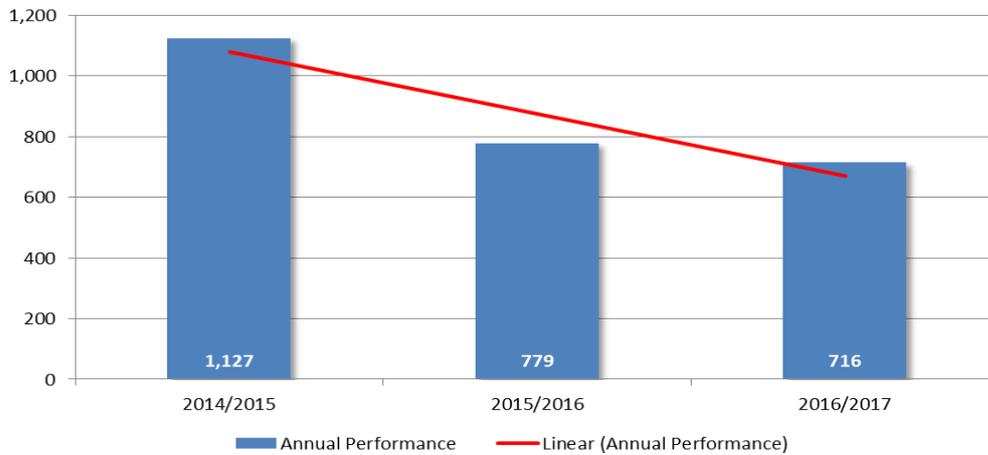
During Quarter 4 a further 263 business have been provided with advice and support that has been commissioned by Lincolnshire County Council. This advice has included business and marketing strategies, implementation of technology within the business environment, recruitment, and assembling financial packages.

Further details

**Businesses Supported by the Council**



**Businesses Supported by the Council  
Annual Performance**



**About the target**

The council commissions a series of programmes which help business leaders to grow their business. The businesses who receive support will grow, creating jobs and other opportunities (e.g. supply chain) and the number of businesses counted in this target. The target for this measure will be reviewed for the 2018-2020 Council Business Plan.

**About the target range**

No target range has been set for this measure.

**About benchmarking**

This measure is local to Lincolnshire and therefore is not benchmarked against any other area.

 Businesses are supported to grow

Jobs created as a result of the Council's support

Qualifications achieved by adults

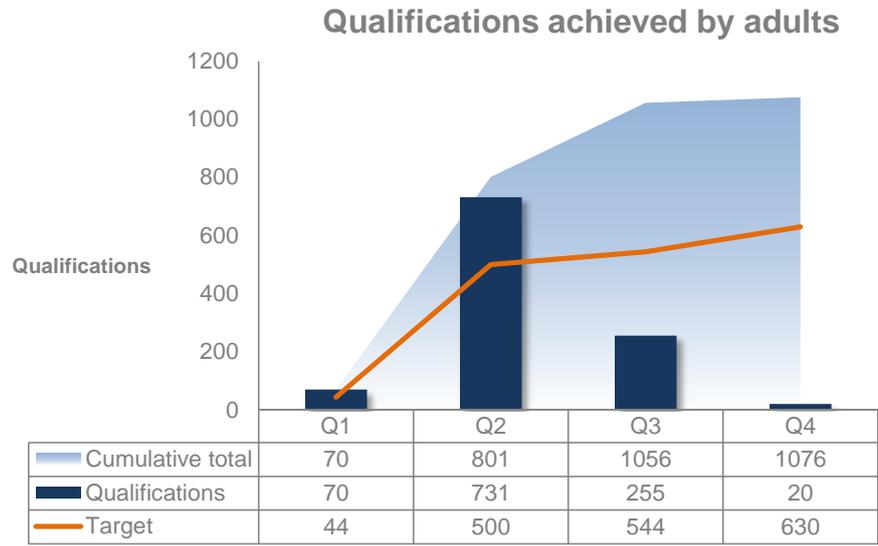
Number of qualifications achieved (Skills programmes, vocational training programmes, adult and community learning) through programmes supported by the council.  
A higher number of qualifications achieved indicates a better performance

 Achieved

**1,076**  
Qualifications  
Cumulative Actual as at March 2018



**630**  
Qualifications  
Cumulative Target as at March 2018

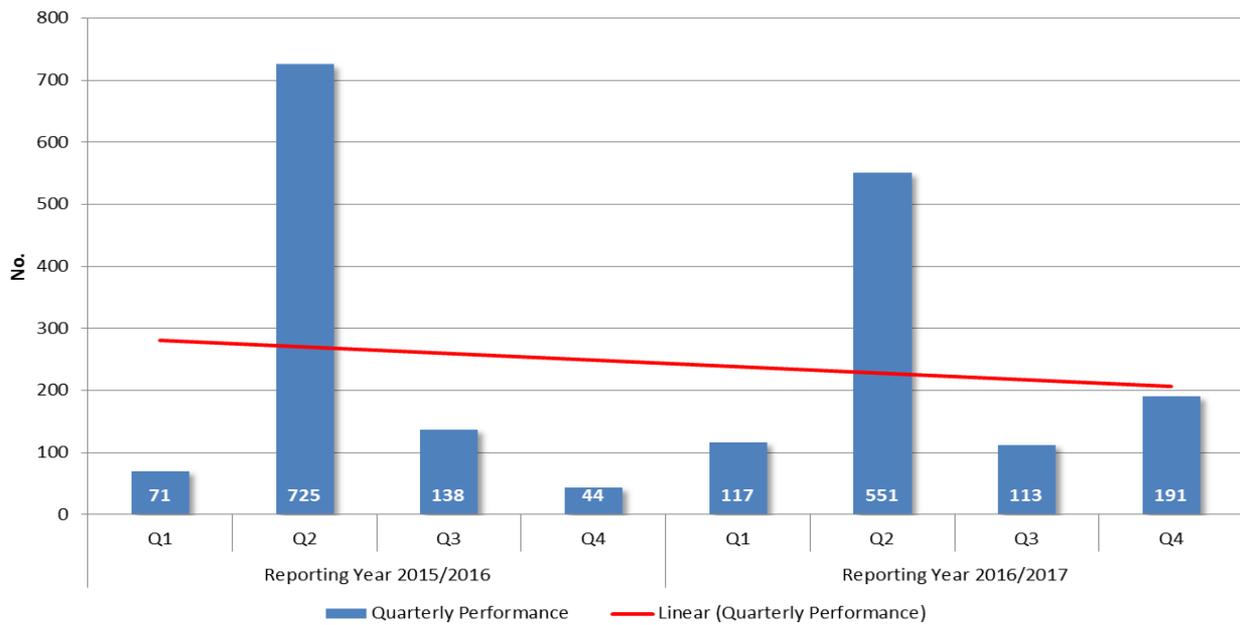


About the latest performance

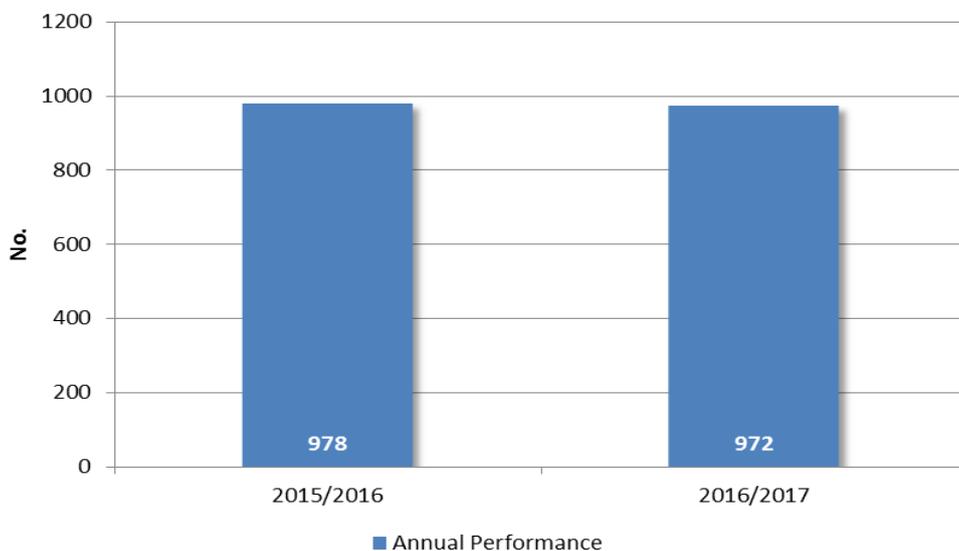
This indicator has been exceeded. Over the past 12 months there has been a greater level of flexibility with the adult learning budgets which has allowed the service to deliver training that both does and does not lead to qualifications depending upon what beneficiaries would like to do. A higher number of people than expected have decided to seek training with qualifications. This is a better outcome for the beneficiaries themselves and for local employers.

Further details

**No. of Qualifications Achieved by Adults**



**No. of Qualifications Achieved by Adults  
Annual Performance**



About the target

The council commissions a series of training schemes which help individuals to gain skills. These training schemes are focused on the skills that employers need. Employers can understand an individual's skill level by the qualifications that they hold, hence the reason that we count the number of qualifications achieved. The target for this measure will be reviewed for the 2018-2020 Council Business Plan.

About the target range

No target range has been set for this measure.

About benchmarking

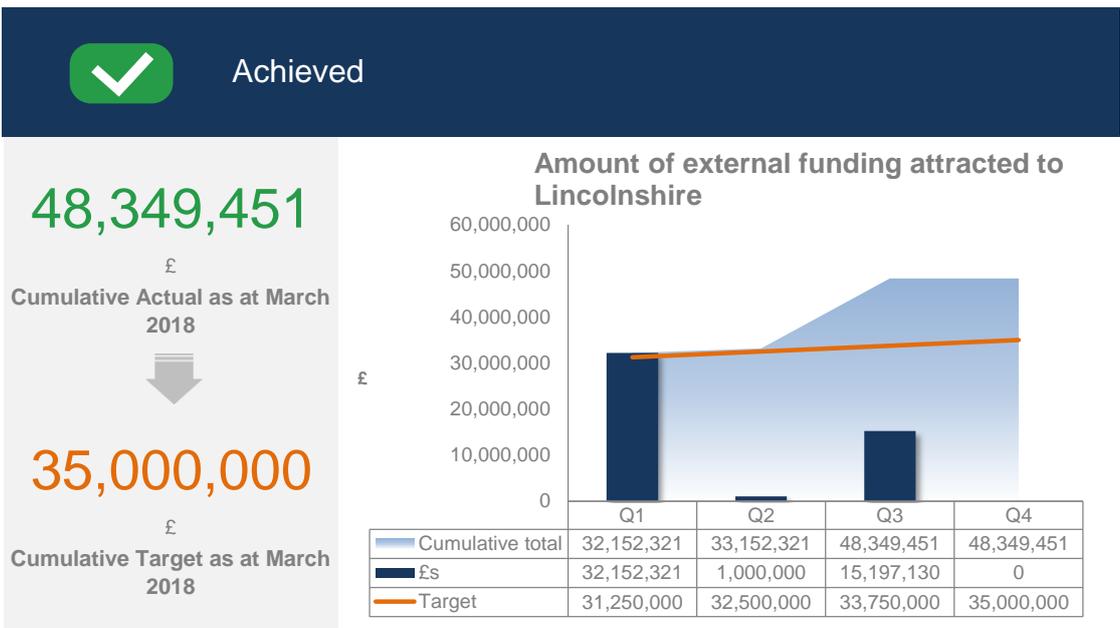
This measure is local to Lincolnshire and therefore is not benchmarked against any other area.

 Businesses are supported to grow

Jobs created as a result of the Council's support

Amount of external funding attracted to Lincolnshire

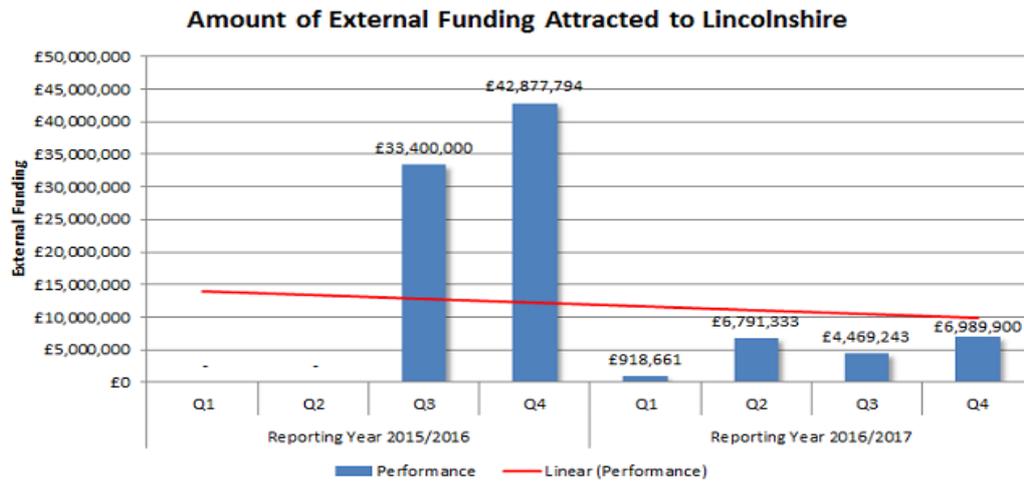
Amount of external funding attracted to Lincolnshire (including Greater Lincolnshire Local Enterprise Partnership and European Union funding programmes) by the council.  
A higher amount of external funding indicates a better performance.



About the latest performance

The overall target has been exceeded for the year with contracts in place against the various funding streams. For the European Regional Development Fund, considerable work has been done this quarter to prepare applicants for a bidding round that ended in early January 2018. 4 outline applications were also reviewed by the administrators of the funding, requesting £3.99m of ERDF funds.

Further details



About the target

EU Growth Fund of £5 million – International/external projects contracted for European Regional Development Fund (ERDF), European Social Fund (ESF) and European Agricultural Fund for Rural Development (EAFRD).

A bid for £30 million European Growth Deal Round III anticipated and will be awarded in 2017/2018.

About the target range

No target range has been set for this measure.

About benchmarking

This measure is local to Lincolnshire and therefore is not benchmarked against any other area.

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# THE ANNUAL STATE OF THE ECONOMY REPORT 2018



**Since 2011 when the Greater Lincolnshire Local Enterprise Partnership (LEP) began it has been successful in drawing down £307m of external investment funding from government.**

This includes Growth Deals, Local Growth Fund awards, Growth Hub Funding, investment support and Transport Majors funding. The LEP is responsible for managing a suite of 35 projects/programmes, and last year alone over £47m was invested in the Lincolnshire economy, creating jobs, allowing people to access new learning opportunities, and attracting partner and overseas investment.

The Greater Lincolnshire LEP has already begun to demonstrate economic impact. It has six growth deal projects completed on site delivering new learning opportunities, securing new tenants, creating employment space, building much needed new homes, creating improved infrastructure and drawing down substantial public and private leverage. The Unlocking Rural Housing Programme is also making significant progress with several housing schemes now complete or nearing completion providing a range of new affordable homes.

Whilst the Greater Lincolnshire LEP is on target to deliver substantial change in the local economy, what follows in this report is a wider look at economic conditions across Greater Lincolnshire.

# OVERVIEW AND HEADLINES

## THE STATE OF THE ECONOMY REPORT

presents the Greater Lincolnshire LEP with the opportunity to review the latest economic data that was released, in this case, throughout 2017 and early 2018, and assess how the economy is performing. In this sense, it is much like the Spring Statement, in that it enables an update on our understanding of how the local economy has recently performed and what current economic conditions are like.

### HEADLINES FROM THIS YEARLY REVIEW INCLUDE:

- The county and unitary areas of Greater Lincolnshire increased economic output between 2015 and 2016
- Employment growth across all the priority sectors (barring Manufacturing) between 2015 and 2016 has been positive and stronger than that experienced nationally
- Employment levels in North East Lincolnshire have returned to pre-recession levels
- Productivity levels have been stagnant across Lincolnshire with North and North East Lincolnshire productivity increases ensuring only a slight increase in levels across Greater Lincolnshire between 2015 and 2016
- Annual wages for full time workers in Greater Lincolnshire fell slightly during 2017
- House building rates fell again with the number of houses completed in 2016/17 at its lowest level based on records stretching back as far as 1980.

In assessing the current state of the Greater Lincolnshire economy, we will consider the following seven indicators and sources of economic performance:

**GVA**

GROSS VALUE ADDED

EMPLOYMENT  
**GROWTH**

PRODUCTIVITY

BUSINESS  
GROWTH &  
SURVIVAL RATES

HOUSE  
BUILDING  
RATES

WAGE  
GROWTH

LABOUR  
MARKET

# GVA

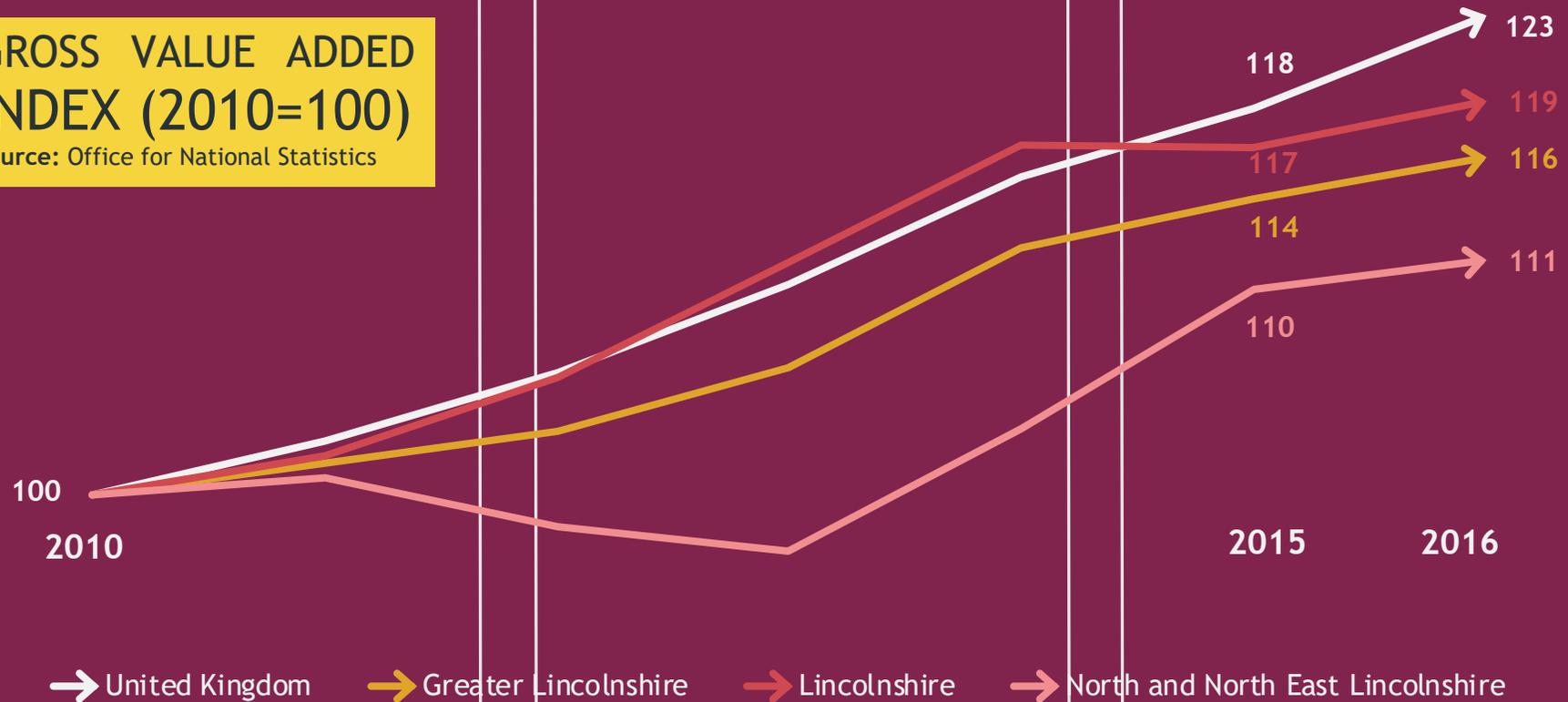
GROSS VALUE ADDED

## GROSS VALUE ADDED INDEX (2010=100)

Source: Office for National Statistics

## ECONOMIC GROWTH ACROSS ALL AREAS OF GREATER LINCOLNSHIRE

can be observed between 2015 and 2016 but it is weaker than the growth seen nationally.



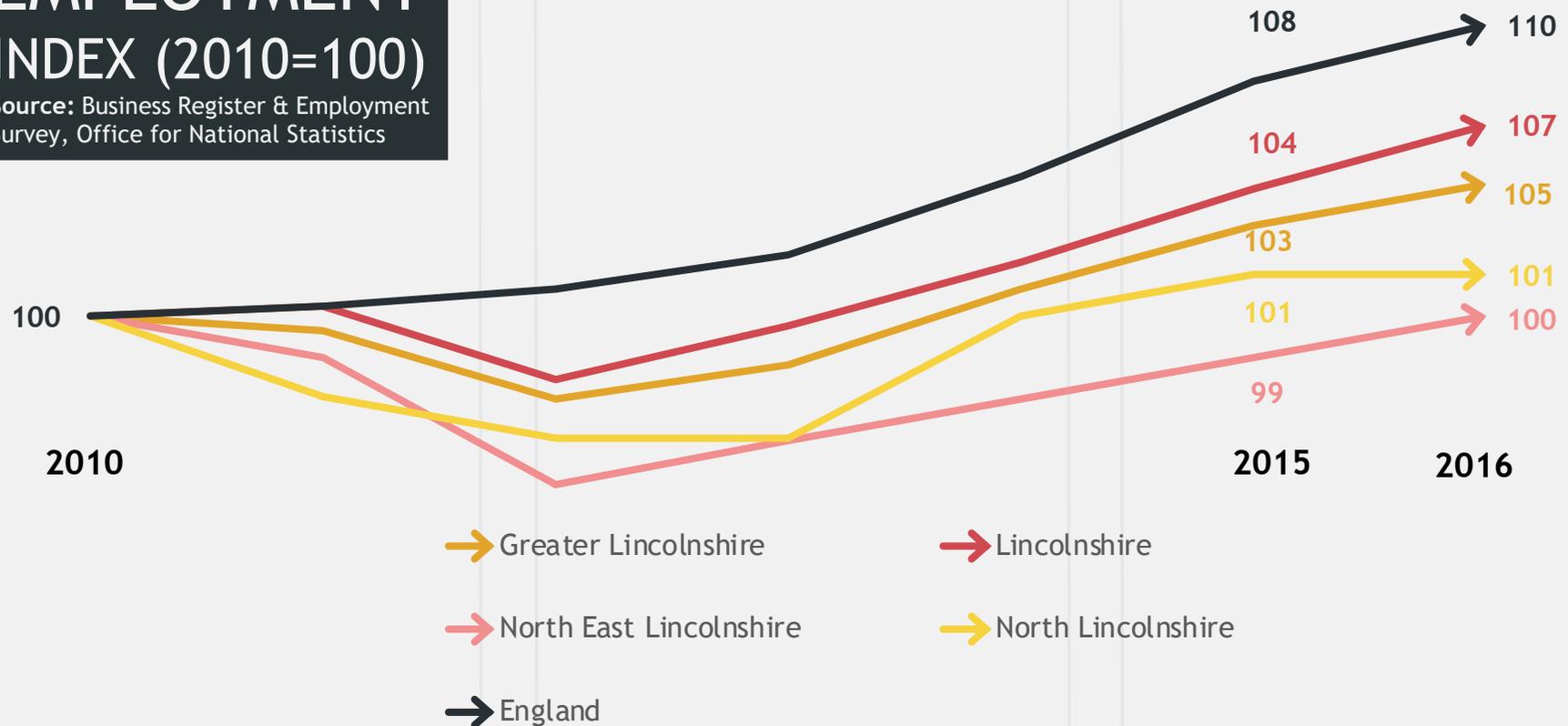
# EMPLOYMENT GROWTH

## EMPLOYMENT GROWTH HAS BEEN POSITIVE

ACROSS ALL AREAS OF GREATER LINCOLNSHIRE but at levels below that experienced nationally. Also of note is the fact that employment levels in North East Lincolnshire have now returned to pre-recession levels.

### EMPLOYMENT INDEX (2010=100)

Source: Business Register & Employment Survey, Office for National Statistics



# CHANGE IN EMPLOYMENT

# 2015 - 2016

SOURCE: BUSINESS REGISTER & EMPLOYMENT SURVEY,  
OFFICE FOR NATIONAL STATISTICS

ENGLAND

**GREATER  
LINCOLNSHIRE**

↑ 1.7%

↑ 5.6%

↓ -0.3%

↓ -11.9%

↑ 4.8%

↑ 14.0%

↑ 2.3%

↑ 5.3%

↑ 8.5%

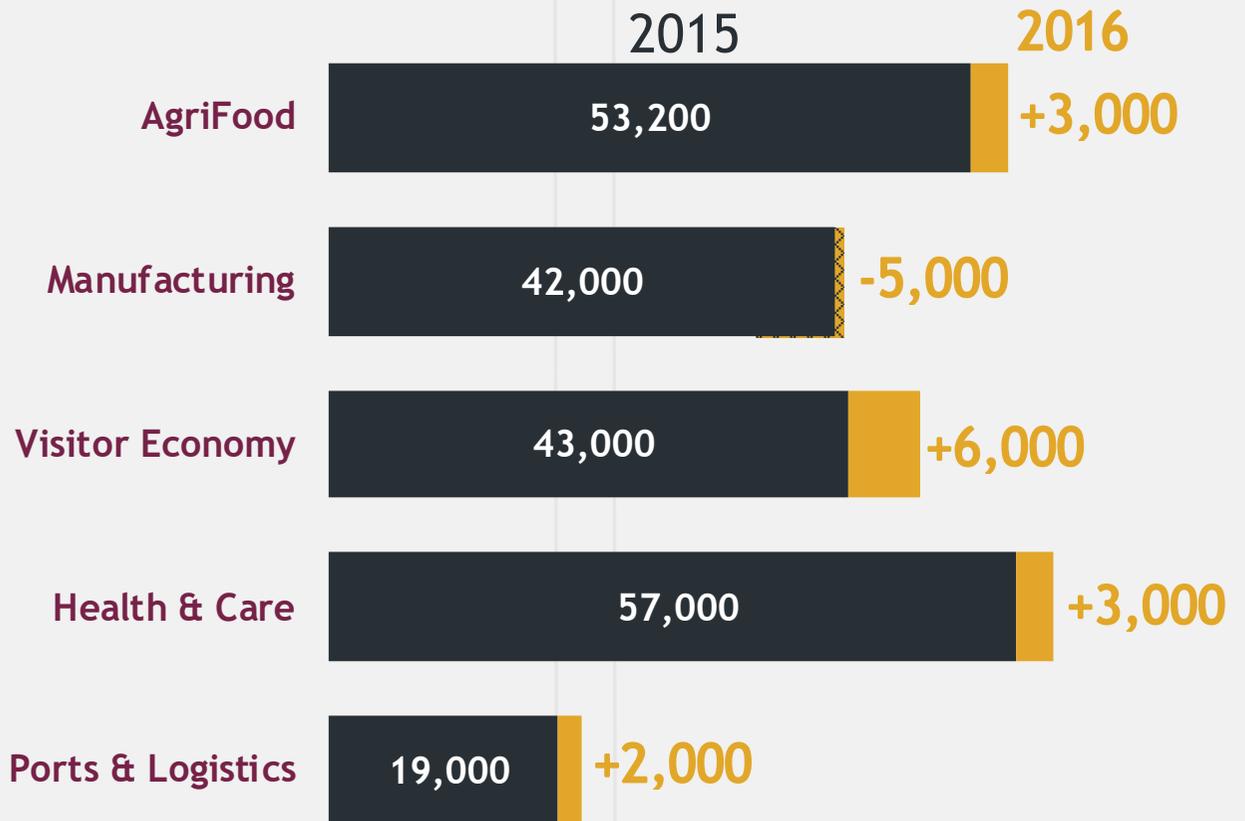
↑ 10.5%

# EMPLOYMENT GROWTH

ACROSS NEARLY ALL OF THE PRIORITY SECTORS

# HAS BEEN POSITIVE

AND STRONGER THAN THAT EXPERIENCED NATIONALLY, apart from the Manufacturing sector where employment has declined and at a greater extent than that experienced nationally.



# PRODUCTIVITY

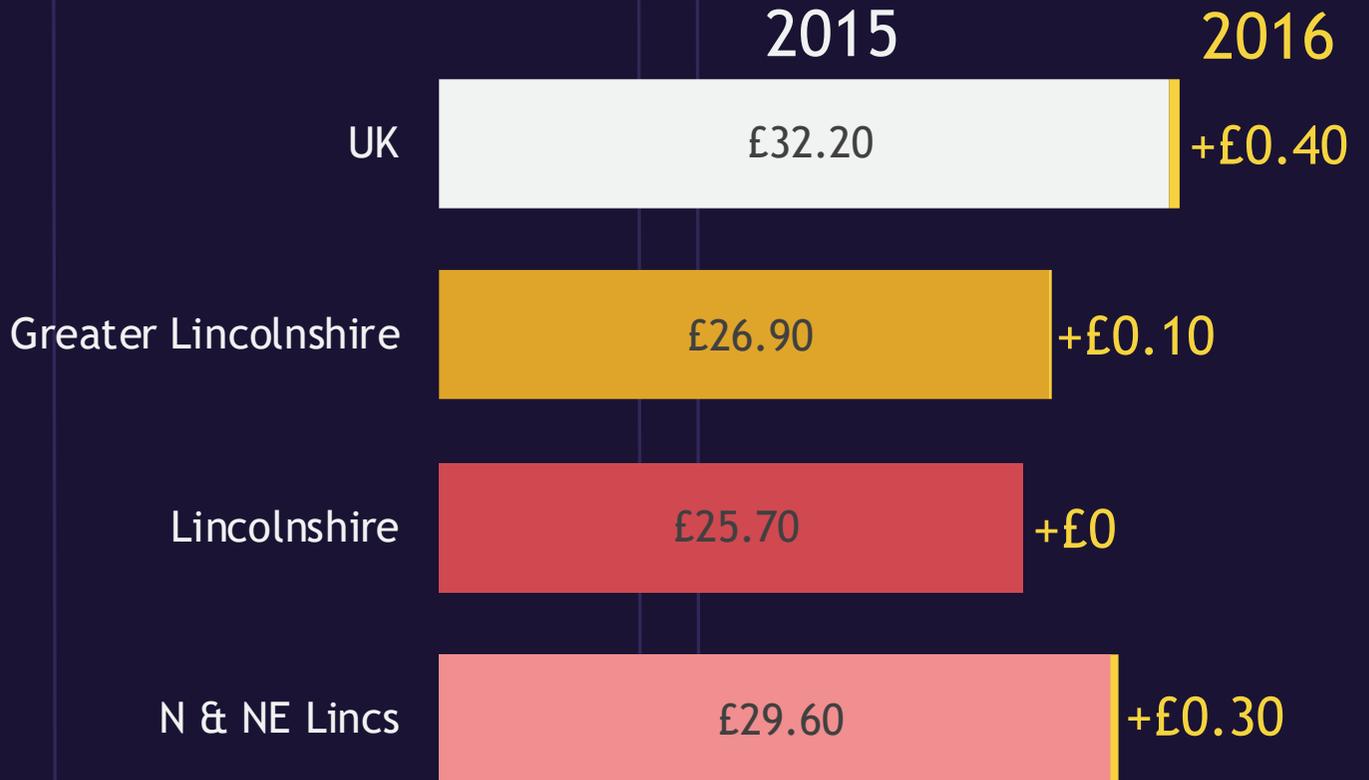
## 2016 GVA (GROSS VALUE ADDED) PER HOUR WORKED

Source: Office for National Statistics

Of the 38 Local Enterprise Partnerships, based on this measure Greater Lincolnshire features at 33:

1. London	£43.60
UK Average	£32.20
33. Greater Lincolnshire	£26.90
38. Cornwall and Isles of Scilly	£23.70

BETWEEN 2015 AND 2016, LEVELS OF PRODUCTIVITY GREW ACROSS GREATER LINCOLNSHIRE (AS MEASURED BY THE VALUE GENERATED PER HOUR WORKED) BUT ONLY SLIGHTLY (£0.10). THIS WAS IN THE MAIN DUE TO NO GROWTH IN PRODUCTIVITY LEVELS ACROSS LINCOLNSHIRE. OVERALL, PRODUCTIVITY LEVELS ACROSS GREATER LINCOLNSHIRE REMAIN MUCH LOWER THAN THE NATIONAL AVERAGE AND MANY OF ITS COMPARATOR AREAS.



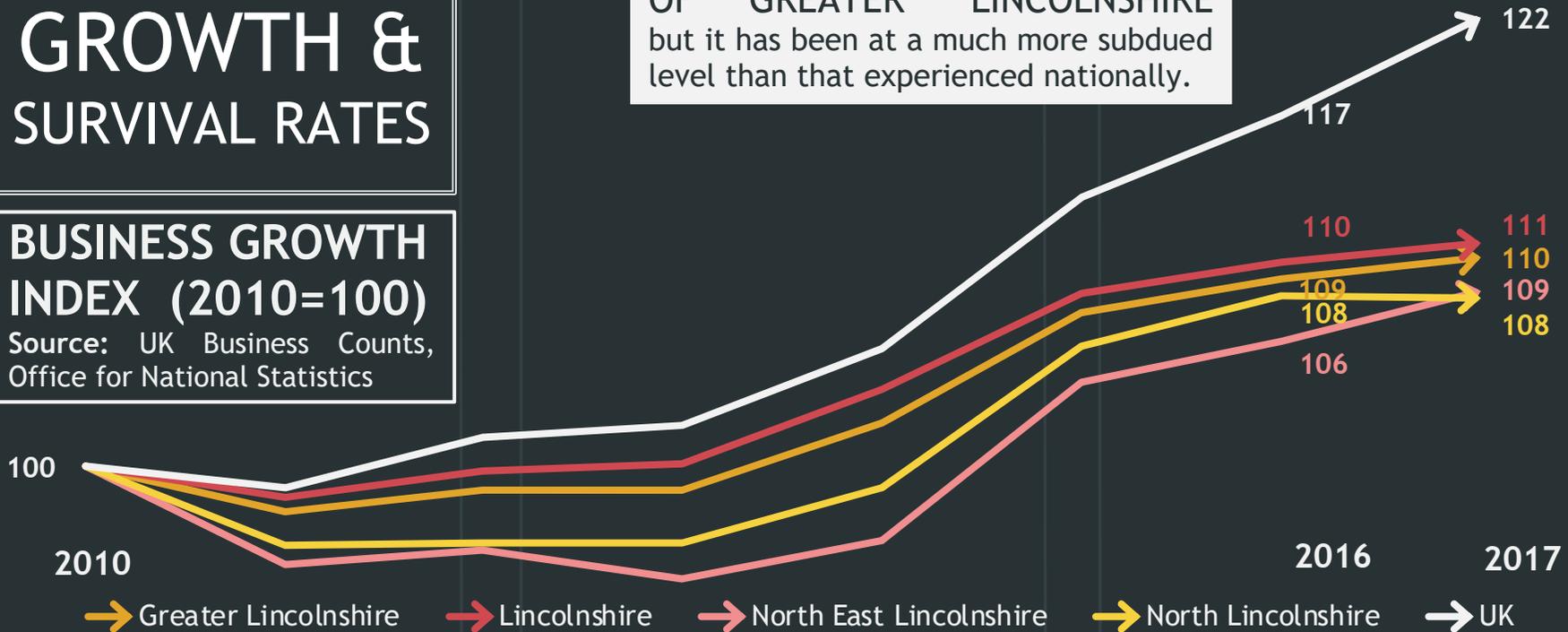
# BUSINESS GROWTH & SURVIVAL RATES

## BUSINESS GROWTH INDEX (2010=100)

Source: UK Business Counts, Office for National Statistics

## BUSINESS NUMBERS

HAVE GROWN ACROSS ALL AREAS OF GREATER LINCOLNSHIRE but it has been at a much more subdued level than that experienced nationally.



## 1 YEAR BUSINESS SURVIVAL

rates have fallen for a 2nd year in a row for all areas of Greater Lincolnshire and nationally

### 2014 ONE YEAR SURVIVAL RATE (%)

92.0   66.3\*   96.0   92.2

Source: Business Demography 2016, Office for National Statistics

Lincolnshire   North East Lincolnshire  
North Lincolnshire   UK

### 2015 ONE YEAR SURVIVAL RATE (%)

91.7   64.1\*   93.4   89.7

\*Please note that North East Lincolnshire business survival rates are low due to the Grimsby office being used for overseas and single transaction registrations nationally, which typically have short lives.

## CHANGE IN BUSINESS NUMBERS

# 2016 - 2017

SOURCE: UK BUSINESS COUNTS, OFFICE FOR NATIONAL STATISTICS

ENGLAND

GREATER LINCOLNSHIRE

↑ 1.6%

↑ 0.4%

↑ 1.3%

↓ -0.6%

↑ 2.2%

↑ 1.5%

↑ 3.8%

↑ 1.6%

↑ 17.9%

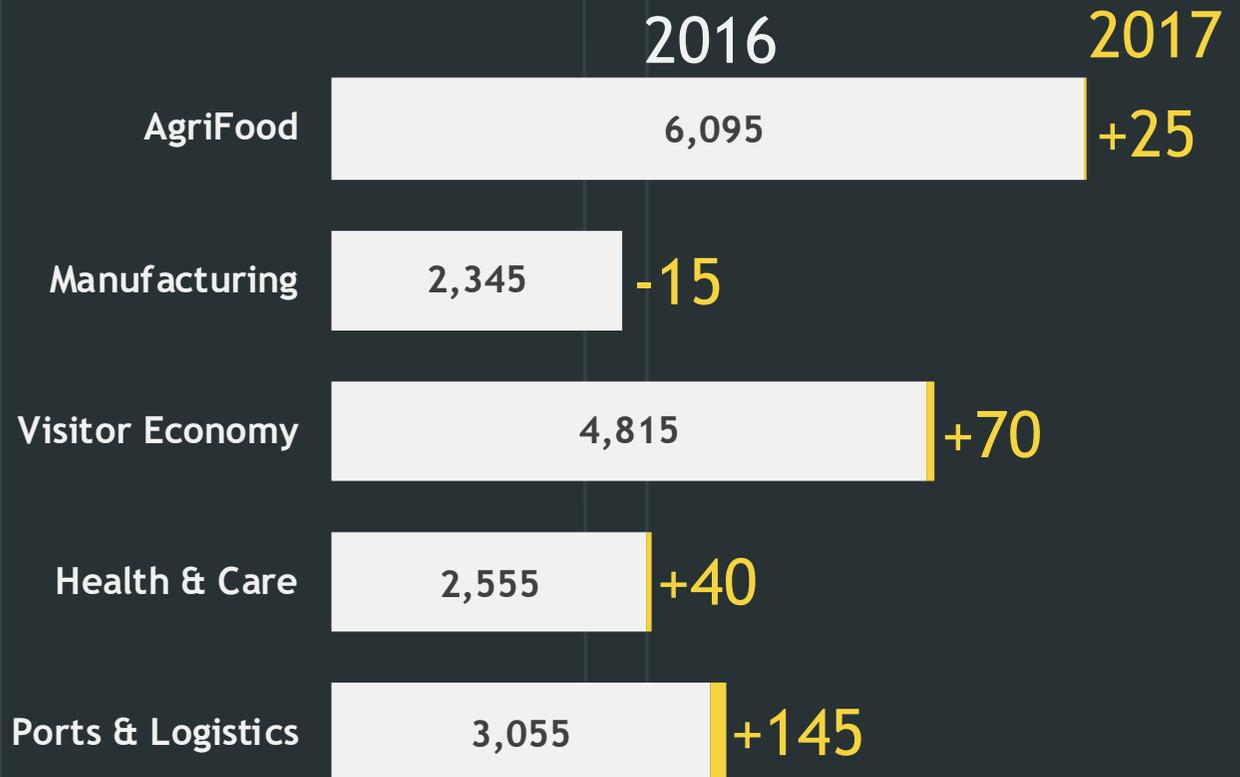
↑ 4.7%

## BUSINESS GROWTH

ACROSS NEARLY ALL OF THE PRIORITY SECTORS

## HAS BEEN POSITIVE

all be it not as strong as that seen at the national level. It is again the Manufacturing sector where declines in business numbers between 2016 and 2017 can be seen.

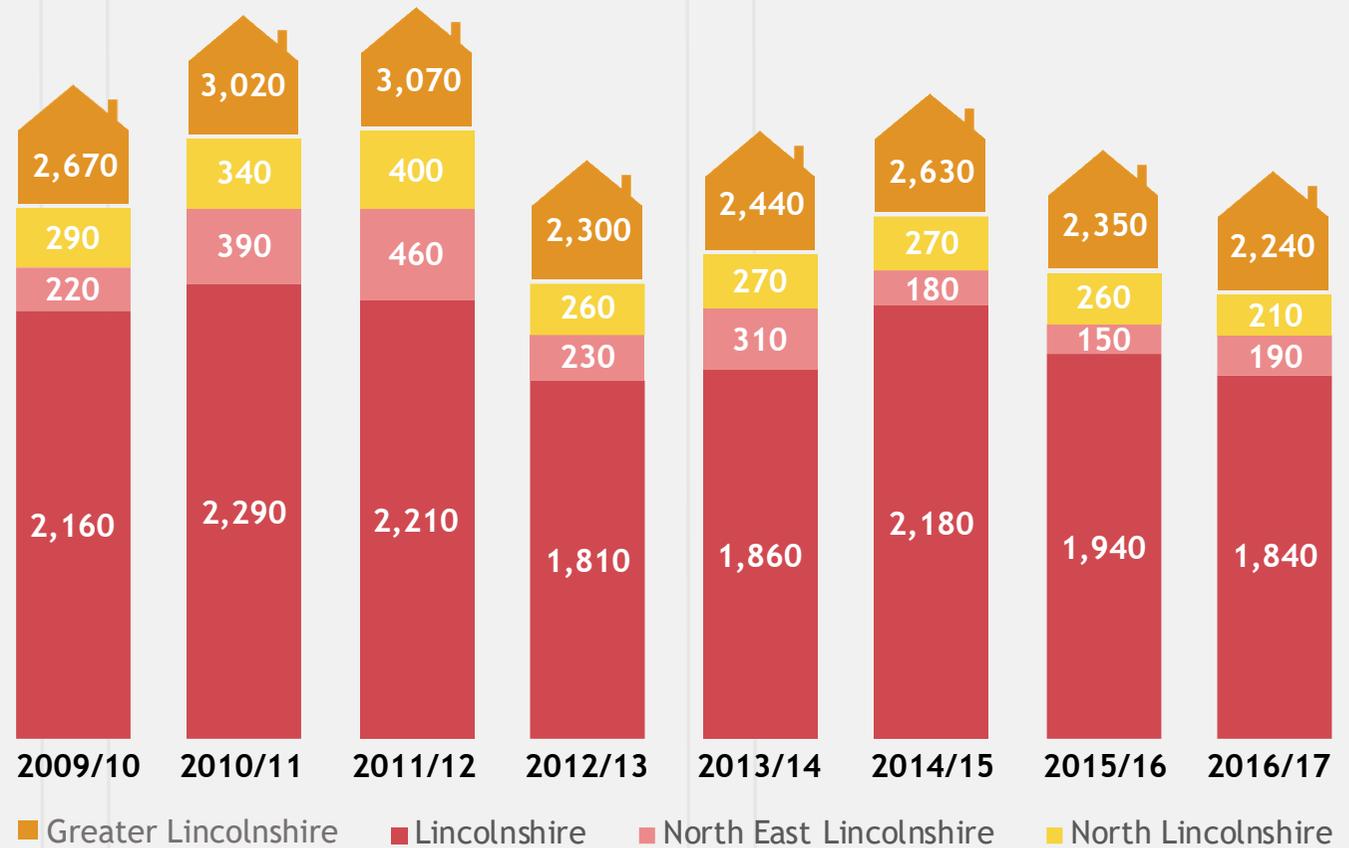


# HOUSE BUILDING RATES

**HOUSE BUILDING RATES HAVE FALLEN AGAIN** with the number of houses completed in 2016/17 at its lowest level based on records stretching back as far as 1980.

## COMPLETED DWELLINGS

Source: Ministry of Housing, Communities and Local Government

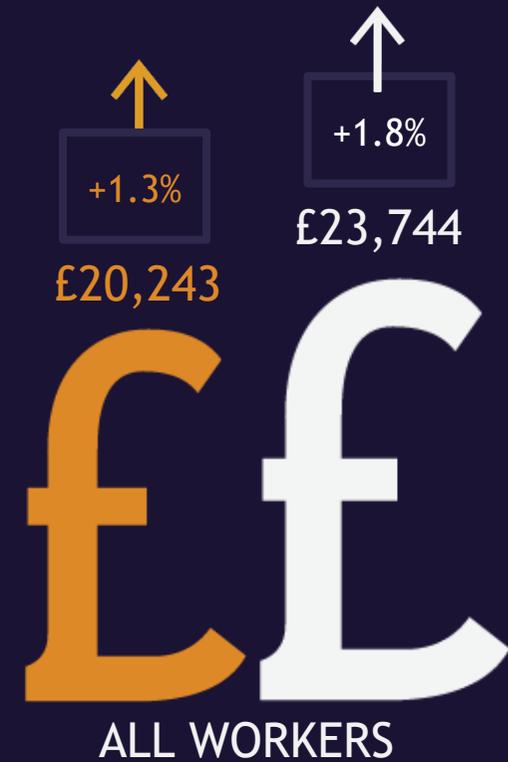


# WAGE GROWTH

## 2017 MEDIAN ANNUAL WAGES

Source: Annual Survey of Hours and Earnings, Office for National Statistics

**ANNUAL WAGES FELL SLIGHTLY FOR FULL-TIME WORKERS IN GREATER LINCOLNSHIRE** whilst part-time workers enjoyed a larger than national growth rate in their annual wages. Overall wage increases in Greater Lincolnshire and nationally were both much lower than the rate of inflation during 2017.

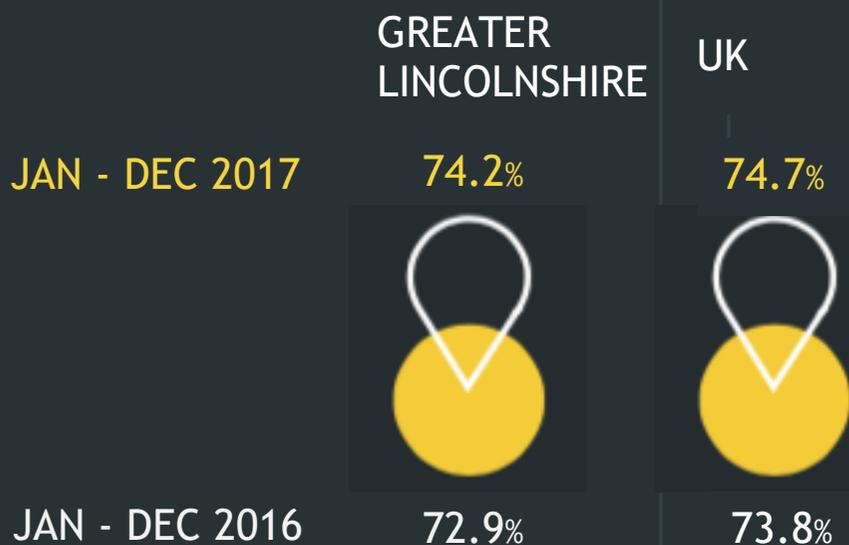


# LABOUR MARKET

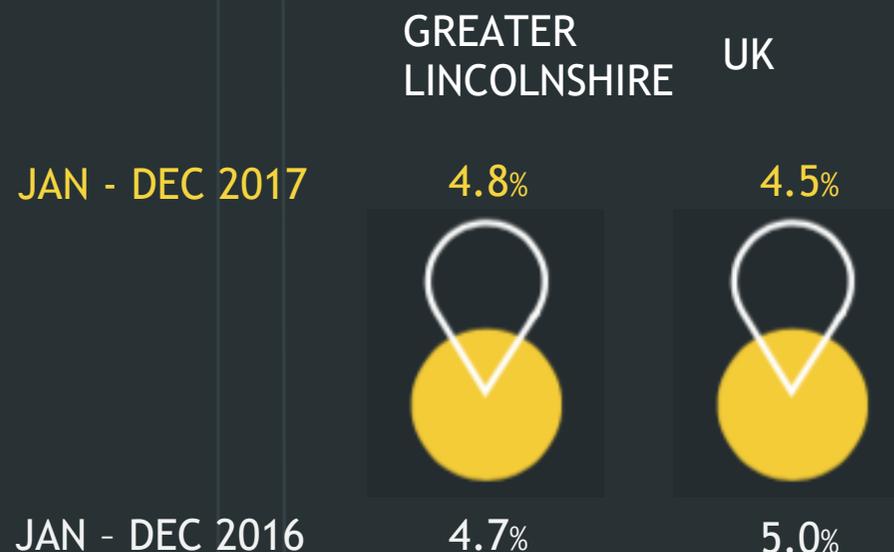
RATES OF EMPLOYMENT HAVE CONTINUED TO RISE DURING 2017 WITH UNEMPLOYMENT CONTINUING TO MOVE IN THE OPPOSITE DIRECTION, IN LINE WITH THE NATIONAL RATE

Source: Annual Population Survey, Office for National Statistics

## EMPLOYMENT RATE (AGED 16-64)



## UNEMPLOYMENT RATE (AGED 16-64)



This state of the economy report has been written and produced by Codename:Consulting on behalf of the Lincolnshire County Council Economy and Environment Research Team for the Greater Lincolnshire Local Enterprise Partnership (GLLEP).

The GLLEP evidence base on the Lincolnshire Research Observatory is the key source of analysis and intelligence for the GLLEP.  
[www.research-lincs.org.uk/lep-home.aspx](http://www.research-lincs.org.uk/lep-home.aspx)



**Open Report on behalf of Richard Wills  
Executive Director for Environment and Economy**

Report to:	<b>Environment and Economy Scrutiny Committee</b>
Date:	<b>10 July 2018</b>
Subject:	<b>Environment Quarter 4 Performance Measures (1 January to 31 March 2018)</b>

**Summary:**

This report describes progress against the indicators in the council business plan. It shows that one indicator has been met fully, that there has been measured progress against three indicators, and that two indicators have not been met.

**Actions Required:**

Members of the Environment and Economy Scrutiny Committee are invited to:

- 1) Consider the performance against the indicators and highlight any recommendations, changes or actions for consideration; and,
- 2) Seek assurance from senior managers on how they will maintain and improve performance against the indicators.

## **1. Background**

The Lincolnshire County Council (LCC) business plan has six indicators for the Environment that are reported quarterly. One indicator has been met, there has been measured progress against three, and two have not been met.

The two that have not been met relate to the Joint Municipal Waste Management Strategy, which is now out of date, and is currently being fully revised. The draft new strategy will be considered by the Environment and Economic Scrutiny Committee in due course.

This quarter, Environment & Economy has received 4 complaints. This is a decrease of 52 since the previous quarter, when 56 complaints were received, largely relating to a single matter. When comparing this quarter with Q4 2016/17, there was no increase with 4 complaints again being received for that period.

## 2. Conclusion

Performance continues to be good against the most relevant measures. Where performance is not meeting the indicators it is because the indicators are outdated, and work is in progress to replace these indicators.

## 3. Consultation

### a) Have Risks and Impact Analysis been carried out?

N/A

### b) Risks and Impact Analysis

N/A

## 4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Q4 Performance Indicators (Environment)
Appendix B	Q4 E&E Customer Complaints information

## 5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by David Hickman, who can be contacted on 01522 554809 or [David.Hickman@lincolnshire.gov.uk](mailto:David.Hickman@lincolnshire.gov.uk)



Businesses are supported to grow

Reduce the risk of flooding

## Flooding incidents within a property

This measure is calculated on the basis of the number of formal investigations undertaken by the County Council under section 19 of the Flood and Water Management Act 2010 where the incident involves flooding within a property from any source, although under the Act the County Council only has a responsibility for local flood risk i.e. from surface water, groundwater or ordinary watercourses. Lincolnshire County Council has interpreted a flooding incident to be any in which one or more domestic properties are flooded internally.

A smaller number of flooding incidents indicates a better performance.

Measured

1

Incidents

Quarter 4 March 2018

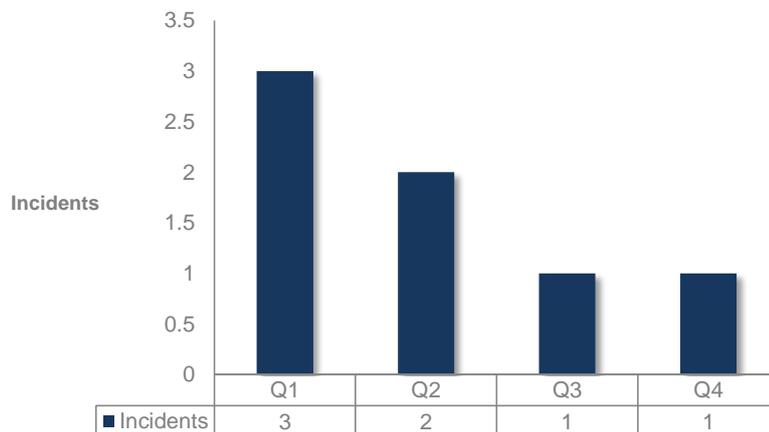


1

Incidents

Quarter 3 December 2017

### Flooding incidents within a property

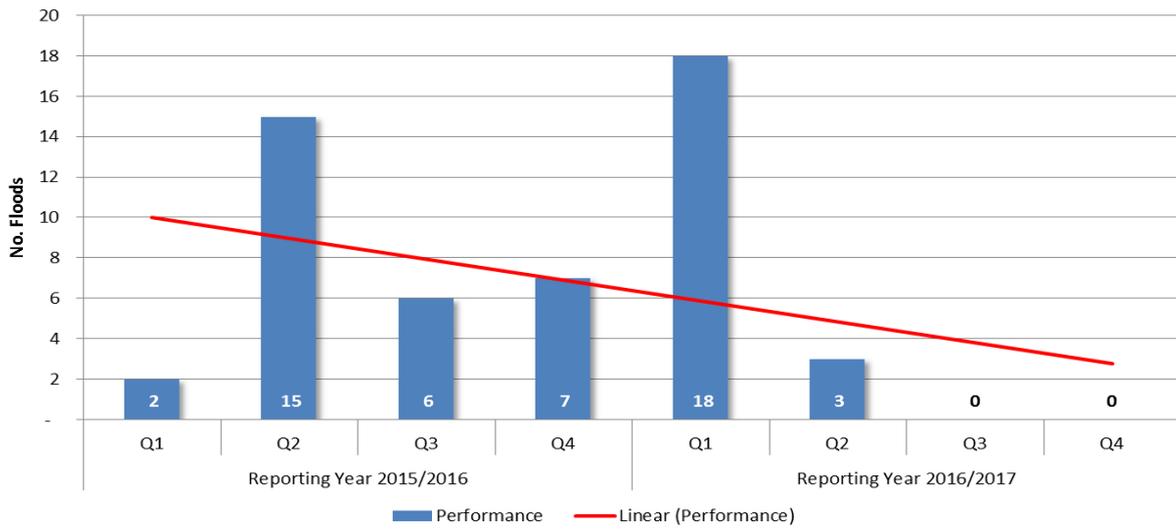


#### About the latest performance

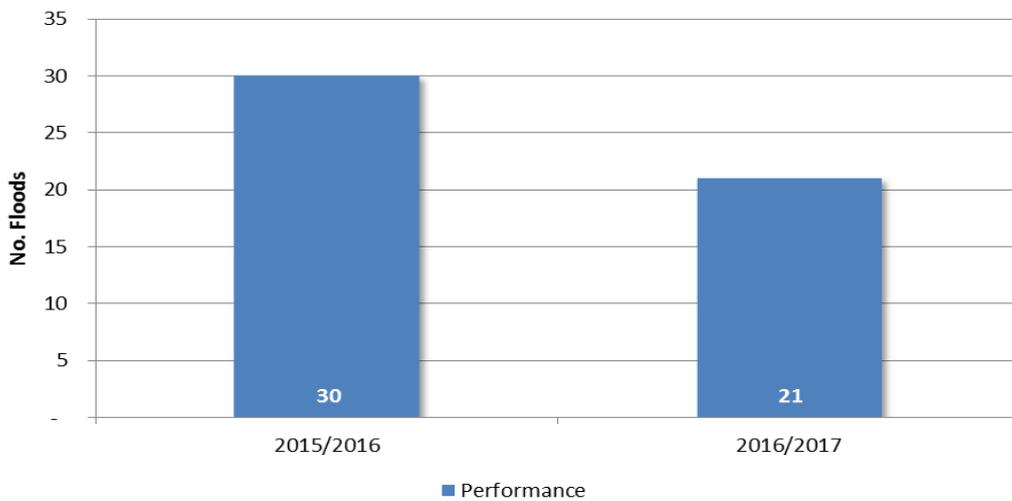
Despite higher than average precipitation in March (in the form of rain and significant snowfall), in Quarter 4 (January to March 2018) there was only one new Section 19 investigation started. The investigation relates to groundwater entering the structure of a private residence over a period of time, and reflects the higher-than-average groundwater levels across the region. During the same period last year, there were no flood events reported. This brings the total number of flooding incidents requiring investigation in 2017/18 to 7, compared with 21 in 2016/17.

Further details

**Flooding Incidents Within a Property**



**Flooding Incidents Within a Property Annual Total**



About the target

This measure is reported to provide context to the outcome reduce the risk of flooding. It is not appropriate to set a target for this measure.

About the target range

A target range is not applicable as this is a contextual measure.

About benchmarking

This measure is local to Lincolnshire as each Local Flood Authority (Unitary and County Councils) defines a flood incident as they consider appropriate and therefore is not benchmarked against any other area.

 Businesses are supported to grow

Reduce the risk of flooding

Properties protected from flooding

It is estimated that in Lincolnshire there are about 28,000 properties which have either been flooded in the past or are thought to be at risk from surface water flooding.

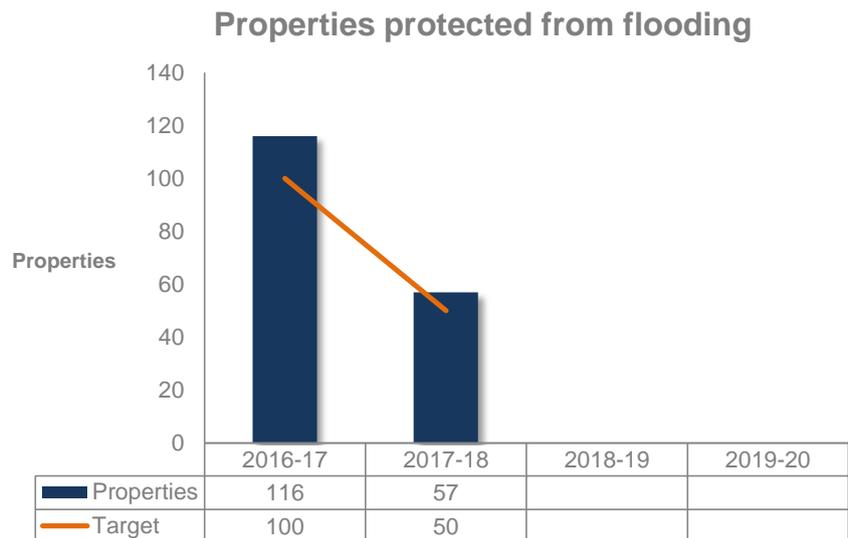
As outlined in the Lincolnshire Joint Flood Risk Management Strategy, in accordance with its duty to undertake improvement works to protect communities, the County Council as Lead Local Flood Authority has developed an ongoing programme of surface water flood risk management schemes. A higher number of properties protected from flooding indicates a better performance.

 Achieved

**57**  
Properties  
March 2018



**50**  
Properties  
Target for March 2018



About the latest performance

The number of properties protected during 2017/18 is a result of flood risk management work for which Lincolnshire Lead Local Flood Authority (LLFA) was the lead authority or a contributing partner.

#### Further details

This is a new measure for 2016/2017 and therefore historic information is not currently available.

#### About the target

It is estimated that in Lincolnshire there are about 28,000 properties which have either been flooded in the past or are thought to be at risk from surface water flooding.

As outlined in the Lincolnshire Joint Flood Risk Management Strategy, in accordance with its duty to undertake improvement works to protect communities, the County Council as Lead Local Flood Authority has developed an ongoing programme of surface water flood risk management schemes. The target for 2017/18 is to reduce the flood risk to 50 homes by carrying out flood alleviation works.

#### About the target range

There is a range in the target of +/- 10 properties. The reason for this is that the schemes in the future programme protect a range of properties, and as the programme is rolled out over the years there will be a consequent variation in the total number of properties protected. Other aspects which might influence the target include significant flood events and economic factors.

#### About benchmarking

The target is local to Lincolnshire and is not therefore bench marked against other Lead Local Flood Authorities.



Businesses are supported to grow

## Increase recycling

### Recycling at County Council owned Household Waste Recycling Centres

The percentage of waste collected at Lincolnshire County Council owned Household Waste Recycling Centres (HWRCs) which was reused, recycled or composted. This measure excludes all sites which are not owned by Lincolnshire County Council as the Council has limited control and influence over what streams are recycled. Performance includes some estimates where actual figures are not yet available. Officially approved data is available four months after the end of the Quarter to which it applies. A higher percentage of recycling indicates a better performance.



Not achieved

71.8

%

Quarter 4 March 2018

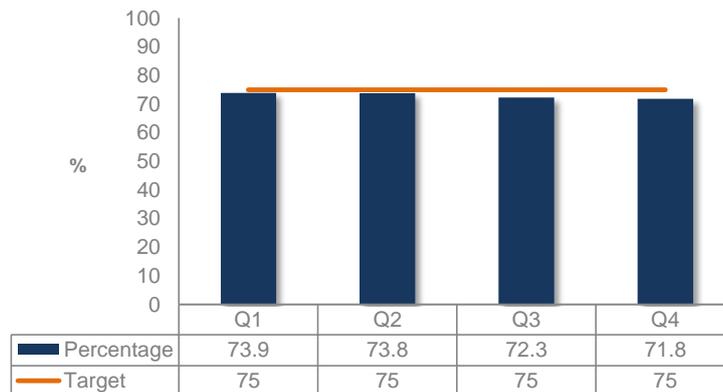


75

%

Target for Quarter 4 March 2018

#### Recycling at County Council owned Household Waste Recycling Centres



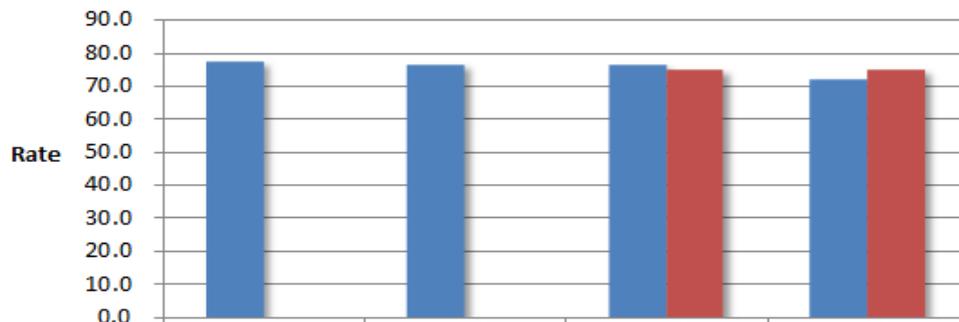
#### About the latest performance

The overall total for 2017/18 is 71.8%. The spring weather was particularly adverse this year which has led to a reduction in composting and has contributed to the overall fall in the rate. As previously reported, the processing of some materials has been moved down the waste hierarchy from recycling to recovery. The Environment Agency have concerns around some materials being stored which has reduced the available recycling outlets in Lincolnshire. It should be noted that some of the data for Q4 is still incomplete, so a number of estimates have been used in the year to date figure.

Cumulative Tonnes	Q1	Q2	Q3	Q4
LCC owned HWRCs waste reused, recycled or composted.	12,771	31,367	41,073	49,284
Total waste collected at LCC owned HWRCs	21,343	42,477	56,799	68,611

Please note: Figures for previous quarters are those reported at the time and include some estimates where data was unavailable. Subsequent quarter cumulative totals may include revised figures for previous quarters.

### Recycling at County Council owned Household Waste Recycling Centres



	2014/15 (Actual)	2015/16 (Actual)	2016/17 (Actual)	2017/18 (Forecast)
■ HWRC Reuse, Recycling and Composting Rate	77.4	76.5	76.3	72.0
■ Target	n/a	n/a	75	75

#### About the target

The annual target of 75% represents a sustaining of our previous high performance.

#### About the target range

No target range has been set for this target.

#### About benchmarking

Availability of data for other authorities is limited as this has never been an official National Indicator.

 Businesses are supported to grow

Increase recycling

Tonnage of recycling material collected at the kerbside

The tonnage of recycling material collected at the kerbside depends on how much is presented by the public in kerbside recycling collections and on how much of that material has to be excluded due to it being non-recyclable. This measure excludes waste that has been 'rejected' so that we can see how much recyclable material was collected.

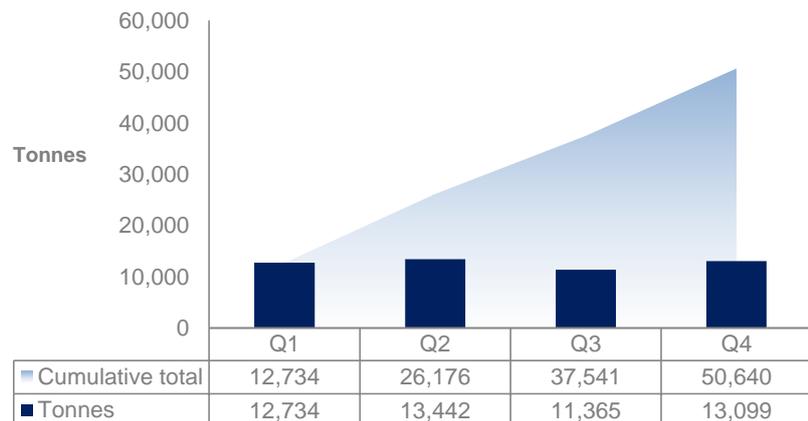
Performance includes some estimates where actual figures are not yet available. Officially approved data is available four months after the end of the Quarter to which it applies.

A higher tonnage of recycling material collected at the kerbside indicates a better performance.

 Measured 



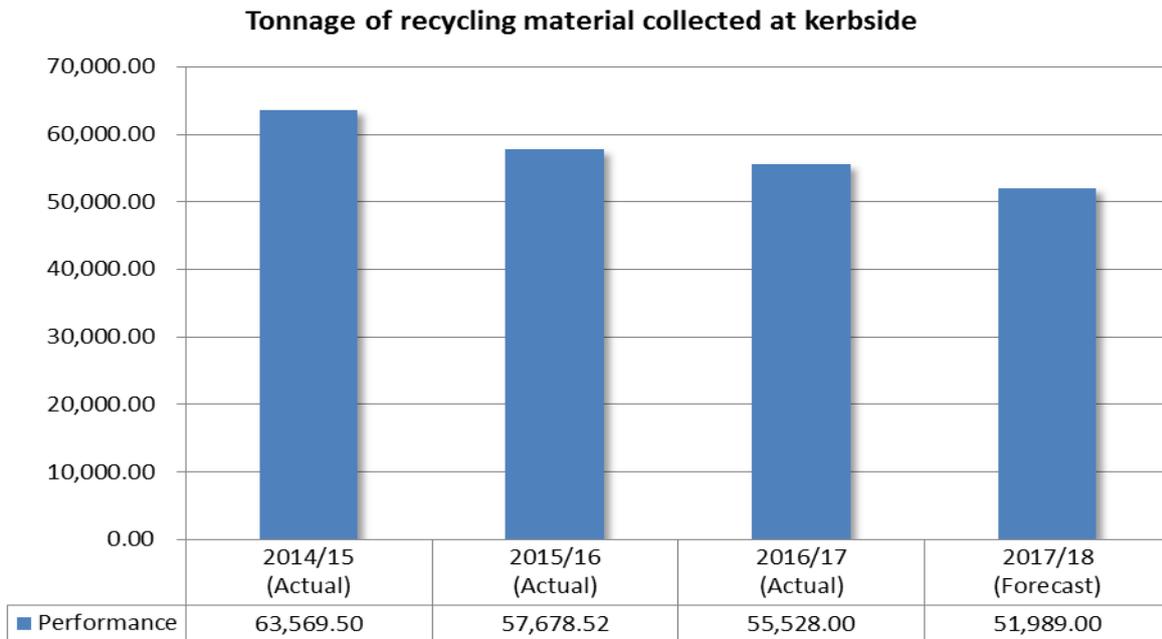
Tonnage of recycling material collected at the kerbside



About the latest performance

Tonnages collected by our Waste Collection Authorities (WCA) in kerbside recycling collections have dropped in quantity. There has been a reduction of approximately 4,900 tonnes from 2016/17; much of that difference came in Q4. Unfortunately around 27% of what our WCA's collect from kerbside turns out to be non-recyclable. The reported percentage of contamination (non-recyclables) has increased in comparison to last year. This is due to lower overall tonnage in which there is increased contamination. This contamination level needs to be addressed through the next Mixed Dry Recycling (MDR) contract and the revised Waste Strategy.

## Further details



### About the target

This measure is included for context and so it is not appropriate to set a target for this measure.

### About the target range

No target range has been set for this target.

### About benchmarking

As tonnage collected depends on the size of a Local Authority, comparisons with other councils is not meaningful.



Businesses are supported to grow

## Increase recycling

### Household waste recycled

The percentage of waste collected by either the County or District Councils which was reused, recycled or composted.

Performance includes some estimates where actual figures are not yet available. Officially approved data is available four months after the end of the Quarter to which it applies.

A higher percentage of household waste recycled indicates a better performance.



Not achieved

**43.9**

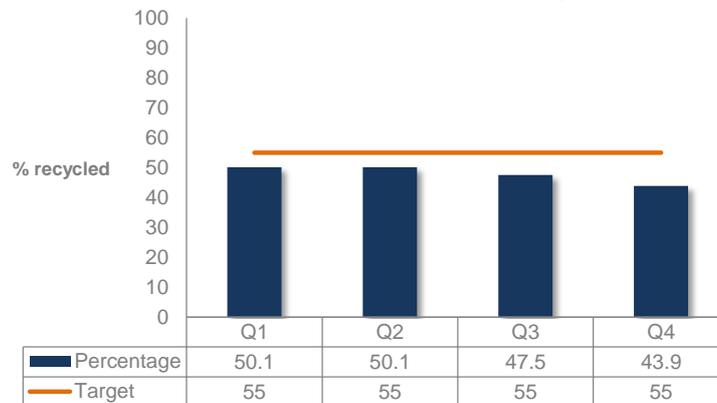
% recycled  
Quarter 4 March 2018



**55**

% recycled  
Target for Quarter 4 March  
2018

#### Household waste recycled



#### About the latest performance

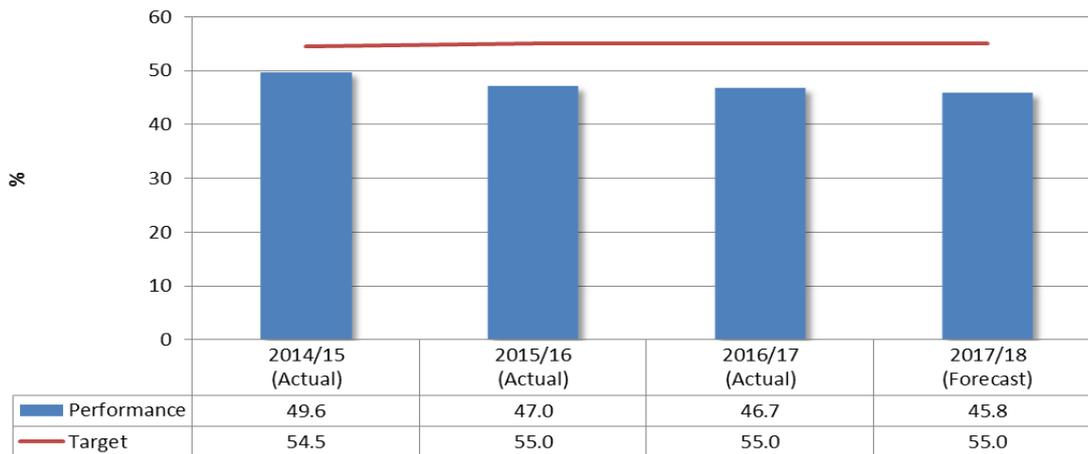
The tonnage is down by approximately 14,000 tonnes compared to 2016/17; much of that difference (approximately 7000 tonnes) came in Q4, which is why we hadn't previously forecast such a low overall tonnage. This is largely due to an increase in reported levels of contamination of the mixed dry recycling compared to 2016/17, and that the green waste composted has reduced due to adverse weather conditions in February and March. All Waste Collection Authorities (WCA's) now charge for green waste collections and this may also reduce the total green waste collected.

Cumulative Tonnes	Q1	Q2	Q3	Q4
Household waste reused, recycled or composted.	48,192	96,493	129,206	152,162
Total household waste collected	96,188	192,528	272,014	346,879

Please note: Figures for previous quarters are those reported at the time and include some estimates where data was unavailable. Subsequent quarter cumulative totals may include revised figures for previous quarters.

## Further details

### Percentage Recycled of Household Waste Collected (Annual Total)



#### About the target

The annual target of 55% was set as a long-term aspiration in our Joint Municipal Waste Management Strategy (2008).

#### About the target range

Given the number of separate figures which go into this calculation, a target range of +/- 0.5 percentage points allows for small fluctuations to remain on target.

#### About benchmarking

National data is available for each Local Authority. However, given the delay in finalising official figures, this is usually only available for the previous year.

 Businesses are supported to grow

Increase recycling

Green waste composted

The tonnage of green waste collected by either the County or District Councils which was sent for composting.

Performance includes some estimates where actual figures are not yet available. Officially approved data is available four months after the end of the Quarter to which it applies.

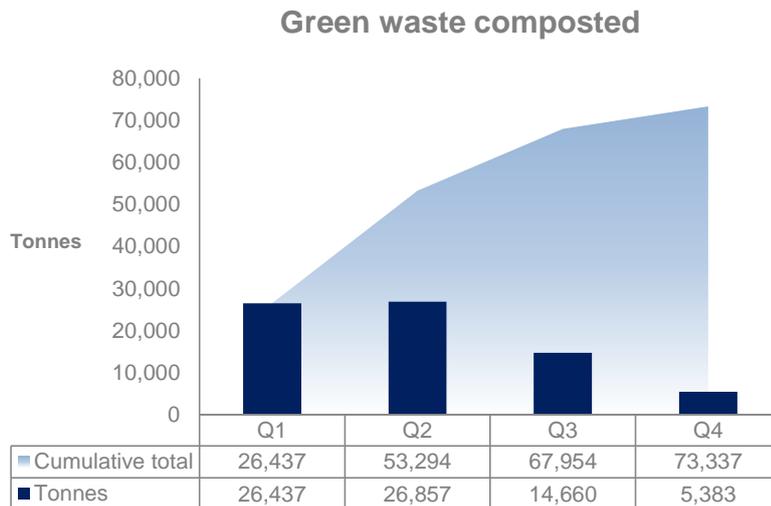
A higher tonnage of green waste composted indicates a better performance.

 Measured 

**73,337**  
Tonnes  
Quarter 4 March 2018



**78,581**  
Tonnes  
Quarter 4 March 2017

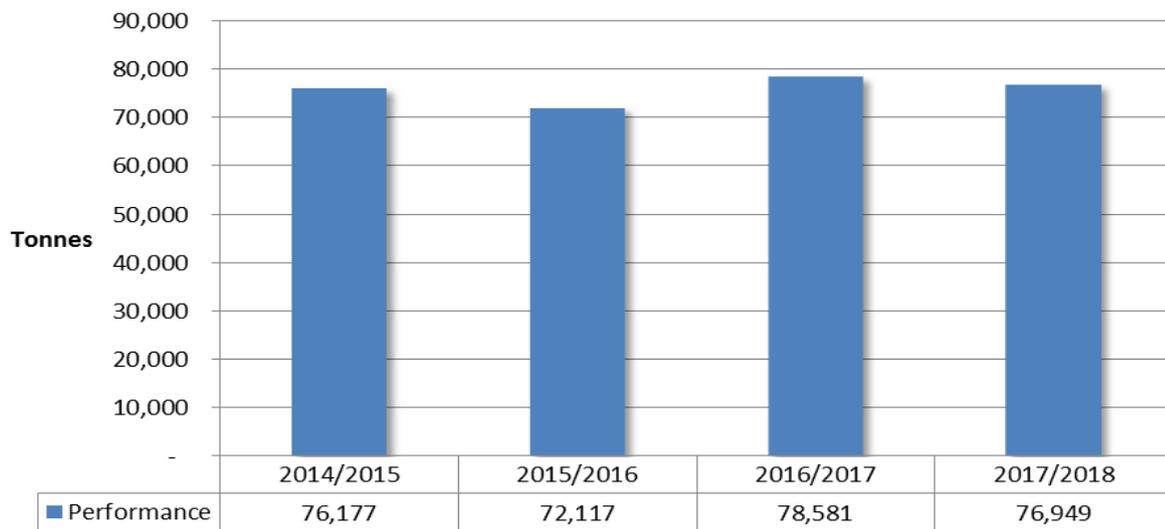


About the latest performance

We have seen a decrease in composting compared to 2016/17 with an overall reduction of approximately 5,200 tonnes. We are still forecasting a higher figure than 2014/15. The figures are following the seasonal trend seen for previous years however this year has been particularly bad due to the adverse weather which was experienced in February and March leading to unfavourable growing conditions. This is only a contextual measure.

## Further details

### Green waste sent for composting



#### About the target

No target has been set, as this is measured for reference purposes. The tonnage composted depends on how much green waste is presented to us by the public and external factors such as weather conditions.

#### About the target range

A target range is not applicable as this is a contextual measure.

#### About benchmarking

As tonnage of waste composted depends on the size of a Local Authority, comparisons with other councils is not meaningful.

**Customer Satisfaction Information**  
**Environment & Economy Scrutiny Committee Q4**  
**Date range for report 1<sup>st</sup> January – 31<sup>st</sup> March 2018**

**LCC Overview of compliments**

**Overall Compliments**

The overall compliments received for Environment & Economy shows an increase of 200% this Quarter, with 6 compliments being received compared to 2 received last Quarter.

<b>Total number of compliments relating to <u>Environment &amp; Economy Scrutiny Committee</u></b>	<b>Current Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>
	6	2	11	7	8

**Environment & Economy Compliments**

Environment & Economy have received 6 compliments this Quarter. The compliments were:

6 x Environmental

- 5 x Countryside in relation to a footpath repair, footpath information, Viking Way event, clarification of a footpath to home owner prior to sale of property and a quick response to a broken gate latch.
- 1 x Planning Manager for withdrawal of a planning application for a Waste Plant.

**LCC Overview of complaints**

The total number of LCC complaints received this Quarter (Q4) shows a 20% decrease on the previous quarter (Q3). When comparing this Quarter with Q4 of 2016/17, there is a 14% increase when 169 complaints were received.

<b>Total number of complaints received across all LCC service area.</b>	<b>Current Q4 17/18</b>	<b>Q3 17/18</b>	<b>Q2 17/18</b>	<b>Q1 16/17</b>	<b>Q4 16/17</b>
	193	241	219	159	169
<b>Total number of complaints relating to <u>Environment &amp; Economy Scrutiny Committee</u></b>	4	56	23	4	4
<b>Total Service Area Complaints broken down</b>					
<b>Environmental Management</b>	3	2	3	4	2
<b>Planning</b>	1	54	20	0	2
<b>Number of complaint escalations</b>	1	18	4	0	0
<b>How many LCC Corporate complaints have not been resolved within service standard</b>	9	4	10	0	1
<b>Number of complaints referred to ombudsman</b>	16	10	11	9	7

This Quarter Environment & Economy has received 4 complaints which is a decrease of 52 as last Quarter they received 56 complaints. When comparing this Quarter with Q4 2016/17, there was no increase with 4 complaints again being received for that period.

### **Environmental management**

This Quarter Environmental Management has received 3 complaints which is an increase of 1 from last Quarter when 2 were received. The complaints were regarding:

- Disposal of engine oil at HWRC This was partly substantiated
- HWRC - This was partly substantiated.
- Recycling – This was substantiated.

### **Planning**

This Quarter Planning has received 1 complaint which is a decrease of 55 from last Quarter when 56 were received.

This was in relation to a planning application for a new registration office in Stamford.

### **Complaint escalations**

In Quarter 4 of 2017/18 there were a total of 19 complaint escalations for LCC.  
1 of these related to Environment & Economy.

1 x Planning: Regarding a planning application for land off Asserby Lane, Asserby.

### **Ombudsman Complaints**

In Quarter 4 of 2017/18, 16 LCC complaints were registered with the Ombudsman. 4 of these complaints were recorded against Environment & Economy, all relating to the Hazardous Waste Site. Another was for a separate planning application.

**Open Report on behalf of Richard Wills,  
Director responsible for Democratic Services**

Report to:	<b>Environment and Economy Scrutiny Committee</b>
Date:	<b>10 July 2018</b>
Subject:	<b>Environment and Economy Scrutiny Committee Work Programme</b>

**Summary:**

This item enables the Committee to consider and comment on the content of its work programme for the coming year to ensure that scrutiny activity is focused where it can be of greatest benefit. The work programme will be reviewed at each meeting of the Committee to ensure that its contents are still relevant and will add value to the work of the Council and partners.

Members are encouraged to highlight items that could be included for consideration in the work programme.

**Actions Required:**

Members of the Committee are invited to:

- 1) Review, consider and comment on the work programme as set out in Appendix A to this report.
- 2) Highlight for discussion any additional scrutiny activity which could be included for consideration in the work programme.

### 1. Background

Overview and Scrutiny should be positive, constructive, independent, fair and open. The scrutiny process should be challenging, as its aim is to identify areas for improvement. Scrutiny activity should be targeted, focused and timely and include issues of corporate and local importance, where scrutiny activity can influence and add value.

Overview and scrutiny committees should not, as a general rule, involve themselves in relatively minor matters or individual cases, particularly where there are other processes, which can handle these issues more effectively.

All members of overview and scrutiny committees are encouraged to bring forward important items of community interest to the committee whilst recognising that not all items will be taken up depending on available resource.

## Committee Scope

The Environment and Economy Scrutiny Committee combines two areas of responsibility (Protecting & Sustaining the Environment, Sustaining & Growing Business & the Economy) to provide an opportunity to join these areas and encourage a more holistic approach and a greater focus on strategic outcomes. There is a clear logic to this arrangement as environment and economy are directly connected to supporting growth.

As part of its terms of reference, the Environment and Economy Scrutiny Committee will work to review and scrutinise the following services and their outcomes:

- environment and growth, including:
  - carbon management
  - the natural and built environment
  - sustainable planning and the historic environment
  - growth and access
- economic development projects including broadband
- waste management, including waste recovery and recycling
- skills and employability
- support to business and growth sectors
- business investment
- attracting funding for Lincolnshire, including the Greater Lincolnshire Local Enterprise Partnership

There will inevitably be service specific subjects that the scrutiny committee will want to consider, either through policy development, project updates, or through pre-decision scrutiny.

There will also be a number of strategic considerations which span both environment and economy. It is likely that those areas which require strategic consideration will include but not be limited to the following:

**Coast** – taking a holistic approach to coastal issues. This should combine various partners' interests (especially Environment Agency) as well as achieving a balance between flood risk management and the exploitation of coastal assets for tourism and leisure purposes.

**Water** – Lincolnshire County Council, Greater Lincolnshire Local Enterprise Partnership, and other partners have worked on a water management plan, which was launched in the House of Commons last year. The water management plan is closely linked to Lincolnshire's Joint Flood Risk and Drainage Management Strategy, focusing on those strategic elements of our broader approach to managing water which can make a critical difference in promoting economic growth. The plan has been well received by government officials and local business and it is now an appropriate time for LCC and the LEP to take the plan into its implementation stage.

**Visitor economy** – Lincolnshire's visitor economy has several strengths, but the natural environment and associated heritage is one of the most prominent strengths. Our historical importance, from Magna Carta and the Battle of Lincoln Fair through to the anniversary of the Pilgrim Fathers setting sail all provide opportunities to strengthen the visitor economy.

Members may also wish to note that environmental and economic issues should not be considered in isolation. There is a strong connection between investments in highway infrastructure and growth, between support for school age children and the wider skills agenda, and the relationship between the council's own heritage assets and the visitor economy. These will require a relationship with the Highways and Transport, Children and Young People, and Public Protection and Communities Scrutiny Committee's respectively.

### **Purpose of Scrutiny Activity**

Set out below are the definitions used to describe the types of scrutiny, relating to the items on the Committee Work Programme:

Policy Development - The Committee is involved in the development of policy, usually at an early stage, where a range of options are being considered.

Pre-Decision Scrutiny - The Committee is scrutinising a proposal, prior to a decision on the proposal by the Executive, the Executive Councillor or a senior officer.

Policy Review - The Committee is reviewing the implementation of policy, to consider the success, impact, outcomes and performance.

Performance Scrutiny - The Committee is scrutinising periodic performance, issue specific performance or external inspection reports.

Consultation - The Committee is responding to (or making arrangements to) respond to a consultation, either formally or informally. This includes pre-consultation engagement.

Budget Scrutiny - The Committee is scrutinising the previous year's budget, or the current year's budget or proposals for the future year's budget.

Requests for specific items for information should be dealt with by other means, for instance briefing papers to members.

## Identifying Topics

Selecting the right topics where scrutiny can add value is essential in order for scrutiny to be a positive influence on the work of the Council. Members may wish to consider the following questions when highlighting potential topics for discussion to the committee:-

- Will Scrutiny input add value?  
*Is there a clear objective for scrutinising the topic, what are the identifiable benefits and what is the likelihood of achieving a desired outcome?*
- Is the topic a concern to local residents?  
*Does the topic have a potential impact for one or more section(s) of the local population?*
- Is the topic a Council or partner priority area?  
*Does the topic relate to council corporate priority areas and is there a high level of budgetary commitment to the service/policy area?*
- Are there relevant external factors relating to the issue?  
*Is the topic a central government priority area or is it a result of new government guidance or legislation?*

## Scrutiny Review Activity

Where a topic requires more in-depth consideration, the Committee may commission a Scrutiny Panel to undertake a Scrutiny Review, subject to the availability of resources and approval of the Overview and Scrutiny Management Board. The Committee may also establish a maximum of two working groups at any one time, comprising a group of members from the committee.

## 2. Conclusion

The Committee's work programme for the coming year is attached at Appendix A to this report. A list of all upcoming Forward Plan decisions relating to the Committee is also attached at Appendix B.

Members of the Committee are invited to review, consider and comment on the work programme as set out in Appendix A and highlight for discussion any additional scrutiny activity which could be included for consideration in the work programme. Consideration should be given to the items included in the work programme as well as any 'items to be programmed' listed.

### 3. Consultation

#### a) Have Risks and Impact Analysis been carried out?

Not Applicable

#### b) Risks and Impact Analysis

Not Applicable

### 4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Environment and Economy Scrutiny Committee – Work Programme
Appendix B	Forward Plan of Decisions relating to the Environment and Economy Scrutiny Committee

### 5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Daniel Steel, Scrutiny Officer, who can be contacted on 01522 552102 or by e-mail at [daniel.steel@lincolnshire.gov.uk](mailto:daniel.steel@lincolnshire.gov.uk)

## Environment and Economy Scrutiny Committee

10 JULY 2018 – 10.00am Holland Room, Old Hall, Riseholme Park, Lincoln, LN2 2LG		
Item	Contributor	Purpose
<b>Greater Lincolnshire Local Industrial Strategy</b>	James Baty, Senior Project Officer, (Economic Research)	Review of the initial work undertaken on the Greater Lincolnshire Local Industrial Strategy
<b>Exporting in Lincolnshire</b>	James Baty, Senior Project Officer, (Economic Research)	Review of the recent analysis into exporting data, released by HM Revenue and Customs.
<b>Revitalising our Highstreets</b>	Phil Hughes, Strategic Planning Manager; Simon Wright, Principal Officer Regeneration	Review of the trends that are taking place in the nation's high streets and the work carried out by the Local Government Association into high streets.
<b>Quarter 4 Performance Reports</b> - Economic Performance - Environmental Performance	Justin Brown, Commissioner for Economic Growth; David Hickman, Growth and Environment Commissioner	Review of the Key Performance and Customer Satisfaction Information
<b>Verge Harvesting Project</b>	Vanessa Strange, Accessibility and Growth Manager	Information on the progress and development of the Verge Harvesting Project.
<b>Verge Harvester Demonstration Event</b> Demonstration by the verge harvesting project on the working being undertaken to collect verge cuttings and using them in anaerobic digestion (AD) to make clean energy.		

18 SEPTEMBER 2018 – 10.00am		
Item	Contributor	Purpose
<b>Quarter 1 Performance Report (1 April to 30 June 2018)</b>	Justin Brown, Enterprise Commissioner; David Hickman, Growth and Environment Commissioner	Review of the Key Performance and Customer Satisfaction Information
<b>Progress and prioritisation of Economic Development Capital Projects</b>	Andy Brooks, Commissioning Manager (Regeneration Programme)	
<b>Apprenticeships in Lincolnshire</b>	Clare Hughes, Principal Commissioning Officer (LEP)	

<b>18 SEPTEMBER 2018 – 10.00am</b>		
<b>Item</b>	<b>Contributor</b>	<b>Purpose</b>
<b>Greater Lincolnshire Local Enterprise Partnership – Accountable Body Progress Report</b>	Lindsay Hill Pritchard, Principal Commissioning Officer	To scrutinise performance of the projects funded by greater Lincolnshire LEP (NB. Lincolnshire County Council is the accountable body for the GLLEP)

<b>30 OCTOBER 2018 – 10.00am</b>		
<b>Item</b>	<b>Contributor</b>	<b>Purpose</b>
<b>Greater Lincolnshire Local Industrial Strategy</b>	Justin Brown, Commissioner for Economic Growth; Ruth Carver, Commissioning Manager (LEP)	Review of the work undertaken on the Greater Lincolnshire Local Industrial Strategy
<b>Agri-Food Sector – Plan, Progress and Prospects</b>	Kate Storey, Commissioning Officer (LEP)	

<b>27 NOVEMBER 2018 – 10.00am</b>		
<b>Item</b>	<b>Contributor</b>	<b>Purpose</b>
<b>Quarter 2 Performance Report (1 July to 30 September 2018)</b>	Justin Brown, Commissioner for Economic Growth, David Hickman, Growth and Environment Commissioner	Review of the Key Performance and Customer Satisfaction Information.
<b>Visitor Economy Sector – Plan, Progress and Prospects</b>	Nicola Radford, Senior Commissioning Officer (Regeneration Programmes)	
<b>Co-commissioning Historic Environment Services</b>	David Hickman, Growth & Environment Commissioner	To shape development of a more integrated approach to LCC services relating to the historic environment.

<b>15 JANUARY 2019 – 10.00am</b>		
<b>Item</b>	<b>Contributor</b>	<b>Purpose</b>
<b>Revenue and Capital Budget Proposals 2019/20</b>	Andy Gutherson, County Commissioner Economy and Place; Justin Brown, Commissioner for Economic Growth; David Hickman, Growth and Environment Commissioner	<b>PRE-DECISION SCRUTINY</b> Budget Proposals for 2019/20

26 FEBRUARY 2019 – 10.00am		
Item	Contributor	Purpose
<b>Quarter 3 Performance Report (1 October to 31 December 2018)</b>	Justin Brown, Commissioner for Economic Growth, David Hickman, Growth and Environment Commissioner	Review of the Key Performance and Customer Satisfaction Information.

09 APRIL 2019 – 10.00am		
Item	Contributor	Purpose
<b>Lincolnshire Broadband Programme Progress Report</b>	Steve Brookes, Lincolnshire Broadband Programme Manager	Review of the implementation of the Lincolnshire Broadband Programme (Onlincolnshire).

21 MAY 2019 – 10.00am		
Item	Contributor	Purpose

Items to be programmed

- Third Carbon Management Plan - Vanessa Strange, Accessibility and Growth Manager
- Manufacturing Economy Sector - Plan, Progress and Prospects
- Learning points from DWP/GLLEP Skills Pilot Project
- Growth Hub Expansion - Samantha Harrison, Commissioning Manager (Enterprise)
- County Farms
- Coastal Country Park
- Joint Municipal Waste Management Strategy

For more information about the work of the Environment and Economy Scrutiny Committee please contact Daniel Steel, Scrutiny Officer on 01522 552102 or by e-mail at [daniel.steel@lincolnshire.gov.uk](mailto:daniel.steel@lincolnshire.gov.uk)

**Forward Plan of Decisions relating to the Environment and Economy Scrutiny Committee**

DEC REF	MATTERS FOR DECISION	DATE OF DECISION	DECISION MAKER	PEOPLE/GROUPS CONSULTED PRIOR TO DECISION	DOCUMENTS TO BE SUBMITTED FOR DECISION	HOW AND WHEN TO COMMENT PRIOR TO THE DECISION BEING TAKEN	RESPONSIBLE PORTFOLIO HOLDER AND CHIEF OFFICER	KEY DECISION YES/NO	DIVISIONS AFFECTED

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**Open Report on behalf of Richard Wills  
Executive Director for Environment and Economy**

Report to:	<b>Environment and Economy Scrutiny Committee</b>
Date:	<b>10 July 2018</b>
Subject:	<b>Verge Biomass Project</b>

**Summary:**

In 2017 Lincolnshire County Council attracted funding from the Greater Lincolnshire Local Enterprise Partnership, to progress the Verge Biomass project. The money was matched by private sector funding (Lincolnshire Verge Harvesting) to design and build specialist equipment to cut and harvest verge side cuttings to be used in Anaerobic Digesters to create energy.

The work has created national interest and as a result Lincolnshire County Council is today hosting an event at Riseholme to showcase the work done so far.

This report provides an overview of the progress to date and an opportunity to see the machine in action will follow the meeting.

**Actions Required:**

Members of the Environment and Economy Scrutiny Committee are required to consider and comment on the content of the progress report, and the direction of the project as a whole.

### 1. Background

Investigations have been ongoing since 2014 into how we might reduce costs of verge cutting, whilst maintaining or even improving the quality of road verges across Lincolnshire's highway network by harvesting the cuttings to be used as an energy source.

A previous study evidenced that verge cuttings make a good substitute for maize in the anaerobic digestion process. The same study highlighted some economic concerns regarding collecting the material with previous cutting techniques, and recognised that if these challenges could be overcome verge cuttings represent a valuable product.

## **Project Summary**

**The Machine** – A tender was released at the end of August 2017, and in October the successful bidder 'Scotts Precision Manufacturing' were appointed. Scotts Precision Manufacturing is a Lincolnshire based company with over 20 years' experience in agricultural machinery manufacturing. The company has been very supportive of the project and where possible have sourced components for the machine locally. Since their appointment they have designed a bespoke machine to meet the requirements of the tender.

**The trial** – The trial commenced in April 2018 and will run until September 2018, replicating the current cutting regime (a minimum of 1.1m cut twice per cutting session but cutting deeper into the verges in certain areas of high vegetation growth. This should improve the economic figures). The trial area in its simplest terms will cover a 10km radius around 3 AD plants. One plant is located in the Wolds, another south of Horncastle and a third to the north of Boston.

**Interest and publicity** – There has been a considerable amount of interest in this project, with a number of other authorities wishing to see the machine and ask questions regarding the process, this is happening at today's event. Local Members as well as District and Parish councils affected by the work were contacted and information shared with the customer services centre. A number of stories have appeared across the media and it is possible that the work will also feature on the BBC's Countryfile programme next year.

**Partnership** – Collaboration across sectors has been central to the work undertaken. Key players include: Lincolnshire Verge Harvesting (the owners of this business operate the three anaerobic digesters being used) Lincolnshire Wildlife Trust who are undertaking a biodiversity study during the work to assess impacts of the scheme; Lincolnshire County Council, Environment and Economy teams (highways and sustainability) and Peakhill associates who have provided academic direction.

**Challenges** – For the purposes of this trial the AD operators are operating their plants under an Environment Agency enforcement position. The enforcement position will only cover works up until the end of September 2018. The ambition across the project team is to extend the trial into next year. In order to do this a permit variation for each plant would be necessary and discussion is underway with the Environment Agency to secure these.

## **2. Next Steps**

The second phase of the trial will run during the summer. In the autumn decisions will be taken about the future of the project based on a series of tests – including economic viability. This work is being considered as part of the work around future highways contracts for 2020 and beyond.

### **3. Consultation**

**a) Have Risks and Impact Analysis been carried out?**

No

**b) Risks and Impact Analysis**

N/A

### **4. Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Vanessa Strange, who can be contacted on 01522 553038 or [Vanessa.Strange@lincolnshire.gov.uk](mailto:Vanessa.Strange@lincolnshire.gov.uk)

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