



ECONOMIC SCRUTINY COMMITTEE 10 SEPTEMBER 2013

PRESENT: COUNCILLOR CHRISTOPHER PAIN (CHAIRMAN)

Councillors T Bridges (Vice-Chairman), B Adams, J W Beaver, G J Ellis, R B Parker, Mrs E J Sneath, W S Webb, P Wood, L Wootten and T M Trollope-Bellew

Councillors: J P Churchill and C J Davie attended the meeting as observers

Officers in attendance:-

Jenny Gammon (Assistant Director Economy and Culture), Tracy Johnson (Scrutiny Officer), Jasmine Sodhi (Performance Manager) and Rachel Wilson (Democratic Services Officer)

19 APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Mrs J Brockway.

The Chief Executive reported that, having received notice under Regulation 13 of the Local Government (Committees and Political Groups Regulations 1990), he had appointed Councillor T M Trollope-Bellew as a replacement member on the Committee in place of Councillor Mrs J Brockway, for this meeting only.

20 DECLARATION OF COUNCILLORS INTERESTS

No declarations of interest were received at this point in the meeting.

21 MINUTES OF THE MEETING HELD ON 23 JULY 2013

RESOLVED

That the minutes of the meeting of the Economic Scrutiny Committee held on 23 July 2013 be signed by the Chairman as a correct record.

22 THEME PERFORMANCE QUARTER 1

Consideration was given to a report which explained about the performance of existing schemes and how the performance was set and monitored. It provided a background to the work that the Executive Councillor for Economic Development, Environment, Planning and Tourism and the Economic Development Services team would do over the coming months in setting a new programme.

It was reported that everything was currently on target, and so it was thought timely to examine the targets at this point. It was expected that the key indicators would still be relevant, as the County Council was a facilitator of economic development, and so there was a need to understand the local economic situation.

The Council's Performance Manager was also in attendance in order to provide further information in relation to the setting of performance targets. The Committee was informed that the vision for the County Council was agreed at its full council meeting in 2010. The organisational strategy focused on where the Council wanted to be in the future and what it would look like. This would then be interpreted as activities, which would be included in service plans within the organisation. It was noted that there was flexibility within the plans to change targets if it was felt that the targets were no longer appropriate.

Members were provided with the opportunity to ask questions to the officers present in relation to the information contained within the report and some of the points raised during discussion included the following:

- There was a need for businesses in rural areas to have access to money from banks in order to expand their businesses;
- The financial intermediary forum which had been set up and included representatives from the major banks was proving to be a success;
- Lincolnshire Investment Network was a new group and was bringing 'business angels' into Lincolnshire;
- The practical signposting and networking was an important activity that the County Council could facilitate;
- Food and agriculture were both sectors which could be grown in Lincolnshire;
- The aspiration was to double the value of tourism in Lincolnshire within 20 years;
- There were businesses which were ready to expand but they could not find skilled workers;
- There was a need to recognise that it would be the small businesses within the county which would drive the economic development and it was important that they were supported;
- There were concerns that businesses no longer had a local business manager, and so the banks did not always understand how those businesses worked, which led to a reluctance to lend money, particularly in the case of businesses which relied on the summer season;
- The Lincolnshire economy had performed relatively well compared to the rest of the UK;
- It was thought that there was a shortfall of people in Lincolnshire who were trained up to NVQ level 4;
- The strong sectors within the County were traditionally low skilled and wage;
- The University of Lincoln would become a big economic driver for the County, as it was particularly strong in the engineering sector;
- A contribution to the Boston Barrier project would be made when the Environment Agency required it;
- A lot of the projects within economic development were long term;

- As Teal Park was nearing completion, it was queried whether this would need to continue to be reported on as a project, or whether in future it would be part of the 'jobs created/safeguarded' indicator;
- In terms of targets, it was queried where the authority went from here as the yearly target for jobs created/safeguarded had been achieved in Quarter 1, and whether this target was meaningful. It was questioned whether any investigation had been undertaken as to why this performance indicator had significantly overperformed. It was suggested that an explanation on this target could be brought back for a future meeting;
- It was considered important that the targets were looked at by the Committee as they influenced the LEP and what it did.

RESOLVED

1. That the progress against the performance indicators be noted;
2. That the way performance indicators were formed and monitored be noted;
3. That a further report be brought back to the Committee which explained how the 'Jobs Created/Safeguarded' target for the year had been met in Quarter 1.

23 LINCOLNSHIRE GROWTH PLAN

Consideration was given to a report which outlined the broad content of the Strategic Economic Plan, which was previously known as the Lincolnshire Growth Plan. It was important that the county council helped to shape the plan both in terms of what it contained and in terms of how it would be delivered. This was due to the strategic role in economic development of the authority and its ability to deliver major schemes as well as the accountable body status with the LEP. The growth plan could also provide the background for the council to commission economic development activity in the future.

The emerging priorities for the Strategic Economic Plan were outlined to the Committee. It was noted that this was a work in progress and was a very early draft, which would be considered at the LEP workshop being held on 18 September 2013.

Members were provided with the opportunity to ask questions to the officers present in relation to the information contained within the report, and some of the points raised during discussion included the following:

- It was excellent that the county council was liaising with the district councils to establish their priorities as well;
- There was a need to link up the strategies for housing growth and infrastructure with economic development;
- There were still discussions taking place around the CIL and the County Council would work with its partners to achieve its ambitions;
- The retail and service sectors were also strong in Lincolnshire;
- One of the priorities which was coming through the LEP was supporting the growth of market towns;

- A sense of place was important, retail could define a town as somewhere to visit, but a lot of the retail spend was out of county. This could be due to the availability of big brand stores;
- Improved road and rail links would only be beneficial if people wanted to come and visit the County;
- Members were reminded that place marketing was on the work programme for the October meeting;
- It was requested that details of the board members of the LEP were circulated to the Committee;
- As the County Council was becoming a commissioning authority, it would be sensible to align with the LEP if it was to set the strategy and commissioning activities for the county;
- It was thought that the County Council would be commissioned by the LEP to deliver services. It was not necessary for the County Council to lead on everything. It was more important that the money came into Lincolnshire and was spent in Lincolnshire;
- Development could be driven through research into coastal defences. The funding required for coastal defences was huge, and so there was a need to think more creatively, and develop coastline defences that could be a tourist attraction as well;
- The single biggest challenge that Lincolnshire faced was how to bridge the funding gap for coastal defences. If funding was to be sought to protect the coastline, then strong arguments for economic development, and the potential growth of the area needed to be made;
- The issue of coastal security was too big an issue for the local authority alone to maintain. It needed to be a national issue;
- A coastal inundation was listed as a significant risk on the National Risk Register.

RESOLVED

1. That the broad content of the Strategic Economic Plan be noted and supported;
2. That the relative priority of the actions in the plan be noted;

24 FUNDING PROGRAMMES

The Committee received a report which provided information on the further announcements which had been made concerning external funding for local economic development schemes. The schemes affected were as follows – the EU transition funding strategy, the Single Local Growth Fund and the Coastal Communities Fund.

Members were provided with the opportunity to ask questions to the officers present in relation to the information contained within the report, and some of the points raised during discussion included the following:

- In terms of the Single Local Growth Fund approximately £1bn per year would be available for LEP's through a formula basis, and the remainder allocated on a competitive basis. It was highlighted that there were 47 LEP's;
- There would need to be strategic decisions regarding the ESF funding in relation to whether people were upskilled to level 2 to enable them to get a job, or to a higher level to enable them to get higher skilled jobs which would fulfil the needs of businesses which were in need of higher skilled workers;

RESOLVED

1. That the Executive Director for Communities be asked, on behalf of LCC and the Local Enterprise Partnership (LEP), to submit a strong EU funding strategy which took into account discussions about the Strategic Economic Plan;
2. That officers be asked to organise a strategic seminar to take forward a strong and transformational bid for Coastal Communities Fund round 3.

25 PROPOSAL FOR A SCRUTINY REVIEW ON THE IMPACT OF
TRANSPORTATION ON MAXIMISING ECONOMIC GROWTH

Consideration was given to a report which set out a proposal for a scrutiny review on The Impact of Transportation on Maximising Economic Growth to be carried out by a Task and Finish Group. The Committee was asked to consider this as a potential topic for a scrutiny review, and decide whether it wished to submit a proposal to the Overview and Scrutiny Management Committee for approval.

The Committee was provided with the opportunity to discuss the proposal and ask questions to the officers present, and some of the points raised during discussion included the following;

- The review would look at how the economy could be driven forward by improvements to transport infrastructure;
- There would be a focus on why transportation was important to the economy;
- Councillors G Ellis, C Pain, Mrs E Sneath and W S Webb expressed an interest in taking part in this Task and Finish Group;

RESOLVED

1. That the proposal for a review of The Impact of Transportation on Maximising Economic Growth be agreed as a suitable topic for a Task and Finish Group;
2. That the Proposal for a Scrutiny Review be submitted to the Overview and Scrutiny Management Committee for approval;
3. That the following members of the Economic Scrutiny Committee be identified as interested in participating in a potential scrutiny review if the topic was agreed – Councillors G Ellis, C Pain, Mrs E Sneath and W S Webb.

26 ECONOMIC SCRUTINY COMMITTEE WORK PROGRAMME 2013/14

Consideration was given to a report which provided the Committee with the opportunity to consider its own work programme for the coming year.

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ECONOMIC SCRUTINY COMMITTEE
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Members were reminded that the next meeting would involve a visit to RAF Scampton, and it was suggested that the meeting start at the earlier time of 9.30am to enable a tour to take place. However, further details relating to timing would be circulated at a later date once they had been confirmed.

In relation to the LEP Growth Plan it was suggested that this come back to the December meeting of the Committee when the details would be more filled out.

RESOLVED

That the work programme be agreed, subject to the inclusion of the additional item on the LEP Growth Plan.

The meeting closed at 12.20 pm