

COUNTY COUNCIL MEETING – 21 FEBRUARY 2014

**Statement from: Councillor C J Davie, Executive Councillor for
Economic Development, Environment, Planning, Tourism**

Economic Development

The Council continues to play a lead role in shaping plans for growing our economy over the next twenty years. On behalf of the Greater Lincolnshire Local Enterprise Partnership (GLLEP), we have been consulting business and building the case for Government and European funds. The plans will set the framework for investment that will enable business to realise their ambitions and to thrive into the future. We have worked with the LEP to win an allocation of £123m of European funding for our area. The funding can be used to support council priorities such as business growth; major regeneration schemes; employment; rural development; and skills. Projects will help our small to medium enterprises (SMEs) become more competitive. Businesses will be supported to develop growth strategies, to innovate, and to improve supply chains and their resource efficiency. In addition, new and growing businesses will have access to incubation units and grow-on space.

Many businesses are already benefitting from our programmes. For example, the Onlincolnshire Programme is aimed at raising the profile of Lincolnshire's digital and creative businesses and helping this sector with growth strategies, operations/processes, and sales. A number of businesses have already created new jobs and increased their turnover as a result of this work.

We continue to deliver training to businesses in the skills that they need – this ranges from managerial and strategic development through supervisory skills and onto basic and level 2 qualifications. In each case we are using grants that we have won to respond to the specific needs of the business rather than offer them a general training course.

I have previously announced that we have successfully bid for funding to help businesses to be more resource efficient, and to win contracts within supply chains. These schemes are ready to start delivering to businesses, and details will shortly be published about how businesses can benefit from them.

Business confidence is growing. Businesses responding to the Quarterly Economic Survey over the past year have reported continuing improvement in performance particularly in areas such as sales, turnover and investment. What is especially encouraging is that, in contrast to previous years, the improvement has been sustained quarter on quarter with both business performance and confidence building steadily. However, the improvements are not universal, with some businesses reporting sluggish consumer spending affecting growth prospects, and problems with cash-flow, competition and overhead costs. Our Lincolnshire Investment Network will help this problem by making angel and equity funding available to businesses. However, the last quarterly survey of 2013 reports most businesses are very optimistic, with 65% telling us they expect their businesses to grow in 2014.

Last week I was part of a Greater Lincolnshire LEP delegation that met with Greg Clark, the minister for LEPs. Our meeting was to negotiate the best possible deal for Greater Lincolnshire. The meeting provided us with the opportunity to pitch our case

and highlight our unique and significant offer to Great Britain plc in a bid to lever additional funds into our region. Being able to work hand-in-hand with the private sector in this way will hopefully get the best possible deal for Lincolnshire.

2014 is already proving to be a busy year from my Economic Regeneration team who continue to support both large and small business with high quality key interventions.

Within the business incubation sector our Eventus Business Centre in Market Deeping has reached occupational capacity and is developing a waiting list of potential occupiers. Similar centres at Skegness and Horncastle have also seen significant increases in occupation and high quality enquiries. As a result of this activity we are confident that we will achieve our annual target for job creation.

Serious occupier interest in our small office developments at Wyvern House Lincoln and CaNeBuZo at Gedney has also increased since my last report and this interest is expected to convert to lettings shortly. Much of the interest in CaNeBuZo appears to be as a result of these units being awarded the seven best Energy Performance scores in the country.

Work with bigger business continues to focus on building the reputation of Lincolnshire as a cost effective location with outstanding quality of life for potential inward investors. We have recently hosted a promising visit by a Chinese Business delegation, whilst the next quarter will also see us joining with GLLEP to promote Lincolnshire at a number of major Business exhibitions.

Our activities to deliver place based growth and new economic infrastructure are also continuing. We are working with a major landowner in Skegness to develop proposals for a new growth corridor, whilst in the south of the county we have recently agreed to lead the development of highway improvements in Holbeach which will unlock further development in that town.

Flood Risk Management

Recent events have proved, if proof were needed, how essential adequate investment in our coastal defences really is. This winter Lincolnshire, along with the rest of the east coast of England, experienced the most severe coastal surge in 60 years. Properties and agricultural land were flooded in North Lincolnshire, while some 580 homes were flooded in Boston when the Haven overtopped its banks.

Agricultural land around the Wash was flooded, and the Council's National Nature Reserve at Gibraltar Point was inundated, damaging the visitor centre and contaminating inland freshwater habitat with saltwater. The sea defences were breached in a number of places, and the level of the beach maintained by the Lincshire programme dropped by some 20 feet in places.

As bad as this sounds, it could have been so much worse. In fact, our defences held up extremely well, preventing much worse damage. This is a tribute to the way flood risk management and emergency response authorities have worked together so closely over recent years. Lincolnshire is known nationally as leaders in our approach to flood risk management.

However, we are not complacent. There is a huge challenge ahead of us to ensure that national funding for our flood defences fully recognises the great contribution that this county makes to the national economy through food production, food processing and the visitor economy.

Lincolnshire County Council will continue to lobby Government to ensure that ministers understand the unique character of the county, and the existing and potential benefits that are secured for the UK by maintaining our preparedness for flooding. We are working through the GLLEP to prepare an objective evidenced business case setting out the value of Lincolnshire's economy to the UK, and the vital role that water management plays in enabling this contribution.

In terms of funding, an initial £6.7 million has been allocated by Government to repair infrastructure damaged as a result of the coastal surge and we await details of the criteria for bidding. With regard to flood defences, an announcement is expected shortly by Government as to how the damage to the flood defences will be funded.

As part of the 2014/15 budget process this authority has allocated an additional £1.32 million over the next two years to the capital budget to help deliver Flood Defence Grant in Aid schemes relating to surface water flooding.

In the meantime, we continue to develop our new role as a Lead Local Flood Authority. We are working closely with the Environment Agency to deliver the local elements of the statutory Flood Risk Management Plan, due for completion in December 2015. This takes forward our innovative joint flood risk management strategy, improving our ability to target our resources to where they are most needed.

We still await firm news on the new date for the introduction of Sustainable Drainage Systems (SuDS), and the implementation of the Council's role in approving, adopting and maintaining these systems on new developments. Council officers are working with Defra to ensure that government clearly understands the implications of SuDS for local authorities. This is proving challenging, particularly with regard to government's assumptions about long-term funding for the SuDS role and members will be kept informed of progress in this area as matters develop.

With regard to the environment more widely we are considering our options for the future management of the Gibraltar Point nature reserve in the light of the severe coastal flooding in December. We are exploring a number of possibilities with Lincolnshire Wildlife Trust and our insurers, including any opportunities to improve linkages between this important visitor attraction and the coastal country park.

Coastal Car Parks

Further to my December statement when I explained the problems we were experiencing at Huttoft Car Terrace and Marsh Yard, recent meetings with Parish Councils and the Police have clarified future consents and enforcements.

Work has started on the improvements to Anderby Creek Car Park. The drainage and surfacing improvements should help the area to be more accessible the whole year round and should be completed by mid-February.

Minerals and Waste Local Plan

Further to my December statement I can now confirm that the consultation responses are being reviewed and will be reported to the Environmental Scrutiny Committee on 4 April 2014.

Central Lincolnshire Core Strategy

The Core Strategy has been withdrawn and work is commencing on producing a Local Plan for the Central Lincolnshire Area. The projected timeline will look to ensure that the Local Plan is adopted by the end of 2016. The detailed project plan is being worked up for consideration and approval by the Central Lincolnshire Joint Strategic Planning Committee (CLJSPC) on 3 March 2014. There will be clearer Member engagement throughout the process of developing the Local Plan than was undertaken with the Core Strategy and the CLJSPC Members have already been engaged in workshops to that effect. A full update will be provided to the Environmental Scrutiny Committee on 4 April 2014. The delay in the adoption of a Local Plan will delay the adoption of a CIL Charging Schedule which will now be run in parallel with the Local Plan process.

South East Lincolnshire Local Plan

An agreement was reached at the South East Lincolnshire Joint Strategic Planning Committee (SELJSPC) briefing on 24 January 2014 to proceed to prepare a Local Plan and not continue with the Core Strategy / Allocations approach. This partly reflects the Central Lincolnshire experience but also reflects expectations of Members within the District Councils. A full update will be provided to the Environmental Scrutiny Committee on 4 April 2014.

Unconventional Hydrocarbons

The recent Government announcement regarding the importance of Unconventional Hydrocarbons (Fracking) to future energy supplies and the importance of the potential reserve within Lincolnshire will certainly bring increased workload demands to Lincolnshire County Council (LCC) as the Planning Authority. This will also create a very public facing working environment in how we operate. A detailed programme of training for officers and Members is being produced which will enable the Council to effectively engage with the industry in coming months.