



Enterprise and
Growth Scrutiny
Committee

28 July 2014

10.00 am

Item
3
Public

**MINUTES OF THE ENTERPRISE AND GROWTH SCRUTINY COMMITTEE MEETING
HELD ON 28 JULY 2014
10.00 - 11.35 AM**

Responsible Officer: Julie Fildes
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Present

Councillor Steve Davenport (Leader)
Councillors Jean Jones, Pauline Dee (Vice Chairman), Nicholas Bardsley,
Charlotte Barnes, Dean Carroll, John Hurst-Knight, Martin Bennett, William Parr and
Roger Evans

1 Apologies for Absence and Substitutions

Apologies for late arrival were received from Pauline Dee.

2 Election of Chairman

RESOLVED:

That Councillor S. Davenport be elected Chairman for the ensuing municipal year.

3 Appointment of Vice Chair

RESOLVED:

That Councillor Mrs. P. Dee be appointed Vice-Chairman for the ensuing municipal year.

4 Minutes of the Meeting Held on 10 April 2014

RESOLVED:

That the Minutes of the meeting held on 10th April 2014 be approved as a correct record and signed by the Chairman.

5 Public Question Time

There were no public questions.

6 Member Question Time

There were no questions from Members.

7 Economic Growth Re-Design

The Economic Growth Re-design Programme Manager gave a presentation on the work being undertaken to redesign Shropshire Council's Economic Growth Services. This aimed to improve the way that the Council worked with businesses and enabled business growth in the County.

She described the scope of the re-design, and explained that their purpose was to create resilient wealth in sustainable communities. She described the Council's role in the County's economic growth as being that of an enabler and maintaining awareness of the challenges, fluctuations and opportunities of the business climate.

She explained that the initial design work from March 2014 had identified the areas within the scope of the redesign, the reasons for change, what success would look like and how it could be achieved.

As part of the initial work for the re-design process a study of the Gross Value Added (GVA) had been completed and this was found to be less than the National average. It had also been found that the Council had been output orientated and not impact driven. She continued that £80m had been invested by the Council in the economy over the previous seven years, much of which had been used as pump priming. Since 2001 the Council had secured £86m of external funding, which included funding for large projects such as the Flax Mill in Shrewsbury.

The key messages from the first Decision Accelerator (DA) in mid-June were:

- a lot of good work was being done in individual sections of the Council but the individual areas did not always work together as a co-ordinated whole;
- too much was being done in a complex environment;
- projects tended to be output driven instead of impact driven;
- that equal focus was given to all businesses regardless of potential outcome;
- businesses viewed the Council as the honest broker; and
- the Council needed to refocus, with clear priorities.

The Economic Growth Re-design Programme Manager continued that the Council's future role was that of the 'informed client'; with the necessary information to effectively commission work from partner organisations and understanding that the commissioned services were being well delivered.

The re-design process had also looked at the funds coming into Shropshire from external sources and whether they remained in the County's economy. It had been recognised that work needed to be done to retain these funds within the County's economy.

The Decision Accelerator (DA) in June had established four priority work areas and project managers had been assigned to these:

- Business Growth – Emma Smith – Economic Research Officer;
- Strategic Growth – Paula Rogers – Team Leader Funding and Programmes;
- Physical Growth – Andy Savage – Highways Development Control Manager; and
- Community Business Growth – Sarah Dodds – VCS Assembly Co-ordinator.

Members noted the pilot project in Pontesbury and Minsterley, where the community was being asked to contribute their ideas about the service provided by the Council.

A Member asked whether the ambition for Shropshire to have a level of economic self-sufficiency and business' supporting each other was achievable. The Economic Growth Re-design Programme Manager replied that this was a change in focus for the Council and a topic for the Growth-hub and Marches LEP. She continued that supporting Star businesses was an objective of the project.

Another Member asked whether the re-design work was working with other council projects such as the commissioning work being undertaken. She expressed concern that the number of pilot projects may prevent real work being done. The Economic Growth Re-design Programme Manager responded that she had been working closely with members of the Community Enablement Team and once the learning from the pilot project had been gathered, it was planned to roll out the project to other areas in early September. She agreed that the pilot was resource intensive as it involved detailed examination of the area to identify best practice which could be replicated. This level of intensity would not be repeated when the project was expanded.

A Member asked how partner organisations delivering the County's infrastructure, such as the water suppliers, telecommunication companies and highways, fitted into the business redesign. It was noted that these came into the Place Plan work. The re-design work included strategic growth and the provision of the best environment for business through growth plans.

Responding to a query about the community engagement risk the Economic Growth Re-design Programme Manager explained that the plan was to engage with the community to establish their needs and how these could be met through honest and open conversations.

A Member observed that the barrier to further employment for many employers was employee taxes and training costs. The Economic Growth Re-design Programme

Manager confirmed that information would be made available to local businesses about government initiatives such as the NI holiday.

Referring to the roll out of the Pontesbury and Minsterley project a Member requested information on impact assessment and queried whether performance indicators had been established. The Committee noted that as the pilot was progressing, benchmarks were being established and the project was identifying areas that could or could not be. The project had identified the criteria for success, in addition to this Shropshire was looking to ensure that it received all the funding it which it was entitled to and encouraged company expansion and inward investment. Success with LEP and infrastructure funds would be a level of success. It was noted that KPIs could be identified.

A Member suggested that when other information was sent out to small businesses this would be an opportunity to gather information from them. In response the Economic Growth Re-design Programme Manager explained that the Council hosted an annual business summit for small businesses, and sent out a regular newsletter. She continued that in the project area a large number of small businesses were being surveyed, however not all businesses were registered and this made them difficult to reach.

She assured the Committee that the findings from the prototype would lead to a step change in the work going forward, and in future, provision would be based on need.

A Member requested that as many local businesses as possible be involved with the commissioning process, and suggested that information could be sent out with the mobile library.

In response to a Member's question the Economic Growth Re-design Programme Manager explained that defining the Council's role in supporting business, both new and established, was part of the re-design work. She continued that it was possible that other organisations were better placed for this and the Council could act as a commissioner or sign poster to these other organisations.

Responding to a comment about the impact on businesses outside the project zone, she explained that there was an ongoing survey would show whether companies expected support from the Council, and if they did, where they looked for it.

The Head of Business Growth and Prosperity commented that many of the questions being asked were based on opinions or assumptions. He stressed that the redesign work was about testing the role of the Council in stimulating economic growth in the County and identifying its future role when the Council became a commissioning body.

A Member raised concerns regarding lack of mobile telecommunications in the county and suggested that broadband provision and mobile phone coverage should be included in the re-design project. The Service Manager for Business and Enterprise responded that this issue had already been taken up by the Business Board and a questionnaire was being developed to be sent out to businesses.

Another Member expressed concern about the ambition of the redesign team and whether it was sufficiently resourced to do what it planned. Members noted that the impact of the Council's work had been taken into account and work on bench marking the starting points for the redesign, including statistics on expenditure and income was being undertaken.

A Member suggested that, during the pilot project the role of the local member and town/parish councils be considered. He commented on the tremendous work being done by Telford and Wrekin Council that had attracted a significant cluster of new businesses and industries. The Economic Growth Re-design Programme Manager stated that the intention of the work being done with Star businesses was to grow existing businesses and attract others to locate to the area.

SC asked if the pilot project would have a base in the area in the Pontesbury or Minsterley area. CC responded that it was to be set up in the Youth Centre in Minsterley. SC replied that it would be useful for himself and other members of the Scrutiny committee to visit this.

8 Performance Dashboards

The Portfolio Holder for Performance introduced the Performance Dashboards for the fourth quarter of 2013/14. He explained that these had been developed by a Rapid Action Group with the intention that they would be used by the Scrutiny Committees to identify areas for further investigation and inform the Work Programme for each Committee. Members were particularly interested in the statistics relating to tourism.

In response to a query he confirmed that more detailed information could be provided if required.

RESOLVED:

that the information be noted.

9 Planning Update

The Area Planning and Building Control Manager, introduced the report. He explained that a significant number of staff in the Planning service had been lost through the VR process while at the same time the section's work load had significantly increased. This was demonstrated by the increase in fee income, with fees received for the first half of 2014 totalling £2.8m compared to £960,000 for the same period of 2013. Most applications had been for major schemes but there had been a few speculative applications for smaller schemes due to the issues with the 5 Year Land Supply.

Referring to the report he explained that the aim to increase the delegation rate to over 96% had not yet been achieved. He continued that he was confident that this would be achieved once the SAMDev had been accepted. The Portfolio Holder for

Strategic Planning, Planning, Housing and Commissioning [central] added that the issues with identifying the 5 Year Land Supply had increased both the Service's and Committees' work load. He continued that this situation was unlikely to change until the SAMdev had been fully approved in 2015.

Referring to bullet point 2 on the same page, the Area Planning and Building Control Manager continued that feedback would be welcome on whether Members felt they were receiving sufficient support to understand planning issues. He added that there had been a definite improvement with Town and Parish Councils that were now more likely to send representatives to talk on their behalf.

It was noted that three Planning Committees continued to operate and costs had been reduced through all of them now holding their meetings at Shirehall. However, it was noted this had caused some complications with site visits particularly in the south of the County and the issues were being addressed. It was agreed that it was not expedient to move to one committee for the whole county until due weight could be given to local plans and policies through the adoption of an appropriate scheme.

Members discussed the issue of enforcement and the monitoring of conditions. It was suggested that a debate should be held on which developments would be subject to enforcement. It was agreed that enforcement should be applied consistently across the whole county. It was suggested that the costs and policies of enforcement should be examined.

It was noted that the three planning committees were not always operating consistently and it was suggested that more training should be undertaken with the Committee Chairs and Vice Chairs to ensure that decisions were taken in the same way across the county.

RESOLVED:

that a further update on progress on the progress of the recommendations would be presented to the Enterprise and Growth Scrutiny Committee in six months' time.

10 Future Work Programme of the Enterprise and Growth Scrutiny Committee

The Chairman stated the Committee's Work Programme was a dynamic document and would be worked on by the Work Programme sub-group.

RESOLVED:

that that the next meeting of the Enterprise and Growth Scrutiny Committee receive an update on Tourism in the County and Tourism Officers be invited to attend and answer Members' questions.

11 Dates of Future Meetings

Resolved:

that the next meeting of the Enterprise and Growth Scrutiny Committee would be held at 10:00am on Thursday 4th September 2014.

Signed (Chairman)

Date: