

## Minutes of a Meeting of the Economic Development Overview and Scrutiny Committee held on 10 October 2006

Present: Councillor Mick Jones (Chair)  
" Michael Doody  
" Pat Henry  
" Richard Hyde  
" Philip Morris-Jones  
" John Ross  
" Ian Smith  
" Mick Stanley

Officers: Andy Cowan, Head of Planning, Environment and Economy Directorate  
Jean Hardwick, Principal Committee Administrator, Performance and Development Directorate.  
John Scouller, Head of Skills, Tourism and Economy, Environment and Economy Directorate.  
Mandy Walker, Group Manager, Regeneration Projects, Environment and Economy Directorate.  
Paul Williams, Scrutiny Officer, Performance and Development Directorate.  
Maureen Oakes, Strategy Support, Environment and Economy Directorate.

Also present: Roger Douthwaite (Coventry, Solihull and Warwickshire Partnership (CSWP)) and Ian Davies, Director of Technical Services (Rugby Borough Council).

### 1. General

#### (1) Apologies.

Apologies for absence were received from Councillors Eithne Goode and Chris Saint (Portfolio Holder for Economic Development).

#### (2) Members' Disclosure of Personal and Prejudicial Interests.

(1) Declarations of personal, non prejudicial interests, were received from Members by virtue of them serving as district/borough councillor as follows –

Warwick District Council – Councillors Michael Doody

Nuneaton and Bedworth District Council – Councillors Pat Henry and John Ross

Rugby Borough Council – Councillor Philip Morris-Jones

North Warwickshire Borough Council – Councillor Mick Stanley

(2) Councillor Richard Hyde declared a personal interest as a Member of the Board of Advantage West Midlands.

**(3) Minutes**

**(a) Minutes**

Resolved that the accuracy of the minutes of the meetings held on 11 July 2006 be agreed as a correct record and be signed by the Chair.

**(b) Matters Arising**

Member visits to Job Centre Plus and Employment Training Warwickshire

In reply to question from Councillor Pat Henry John Scouller undertook to arrange a date for Members to visit Job Centre Plus and Employment Training Warwickshire.

**2. Public Question Time**

None

**3. Peugeot Update**

The Committee considered the report of the Strategic Director for Environment and Economy, which updated Members on the redundancies and any potential closure of the Peugeot plant at Ryton-on-Dunsmore. The Chair advised that, although it had been agreed at a previous meeting that the future of the land would not be discussed, matters had moved on and he had asked for an update on the position.

During the meeting a message was received from Rugby BC that an announcement had been heard on the radio that Peugeot had given notice that the Ryton Plant would close early January 2007.

Ian Davies reported on the work of the Peugeot Partnership Land Use Theme Group (The Group) (Appendix B of the above report), which comprised representatives of Rugby BC, Warwickshire County Council, CSWP, Coventry City Council, Warwick District Council and Advantage West Midlands. The Group had met twice, first to scope the task and then to confirm that the status of the future use of the site would be for employment purposes. This was considered by the Partnership and endorsed by the Coventry, Solihull and Warwickshire Sub-Regional Forum (CSWF). The CSWF had written to the West Midlands Regional Assembly (WMRA) supporting the sub-regional approach to the site in the context of the Regional Economic Strategy (REC) and Regional Spatial Strategy (RSS).

He added that the Peugeot Plant site was owned wholly by Peugeot Citroen UK and, in addition, a parcel of land on the other side of the A45 (which contained a

sewage plant). There were no difficult covenants affecting these sites. Representatives of Peugeot senior management had attended the second Group meeting and had advised on land use matters and a good level of agreement had been reached. The commercial company employed by Peugeot to look at the future use of the site would be seeking to enlist the help of a representative from the Group.

During discussion the following points were noted –

- (1) The robots would be removed from the Plant within three months of cessation of production following which the rest of the equipment would be sold off.
- (2) Peugeot's agents had indicated that they would not want to retain ownership of the site and would be willing to share data about ground conditions and work with the Land Use Group about its future use.
- (3) The site when vacated by Peugeot would still be occupied by a subsidiary company and would continue to operate from the site. Peugeot had acknowledged the need for the site to be made secure against vandalism.

Roger Dowthwaite presented Appendix A of the report that had been produced by the Job Centre Plus (JCP) and the Learning Skills Council (LSC) for the Chair of the Peugeot Partnership and outlined the impact on the supply chain and the position with regard to the workforce.

During discussion the following points were noted –

- (1) The effect on the companies who supplied Peugeot would be nominal as many companies had foreseen the closure and had made contingency plans. Only 27 of the 73 supply chain companies were located in Coventry and Warwickshire. Assistance had been given to these companies to enable diversification into other markets.
- (2) £6m in Government grants had been made available to assist Peugeot employees' access training into employment while the Plant was still open.
- (2) Job prospects were reasonable in the Coventry and Warwickshire area and better than in the West Midlands.

Mandy Walker, representing the Community Impact Theme Group, presented Appendix C of the report and said that work was ongoing in identifying voluntary groups who might lose funds if grants from Peugeot were discontinued.

John Scouller reported that the latest DTI Assisted Area graph map did not include Ryton and Ansty. Members expressed concern about this exclusion and proposed that, bearing in mind the announced closure of the Plant in January 2007, that Cabinet should be asked to press the Government to reconsider the position.

Further discussion following during which the following points were noted –

- (1) That a site survey was critical to the future use of the site but that this could not be carried out until the plant was removed;
- (2) A member expressed the view that the existing plant buildings might be in such a condition that they could be converted to alternative use and a minority of Members expressed the view that manufacturing might be an appropriate alternative use for the site.

Following which the Committee agreed to -

(1) ask Cabinet to -

- (i) Support Rugby Borough Council in retaining the use of the Ryton site for employment use;
- (ii) Express gratitude to Peugeot Partnership for their actions supporting the workforce, and support them in seeking a legacy fund for the local community;
- (iii) Press the Government to reconsider the proposed Assisted Area map, retaining the Ryton Ward in the light of the closure announcement.

(2) ask for a further update report to the April 2007 meeting to include data on the ground conditions of the Plant site.

#### **4. Future Work Programme and Forward Plan Items Relevant to the Work of this Committee.**

##### **(a) Provisional Items for Future Meeting**

The Committee agreed the table setting out the provisional items for future meetings subject to a report on Rural Issues being brought to the December 2006 meeting and to include details of the how grant distribution had changed. Members also asked for a verbal update on the Peugeot closure to the December 2006 meeting with a further progress report to the 27 March or 2 May 2006 meeting.

##### **(b) Forward Plan**

Members noted the Forward Plan items relevant to the work of the Committee.

#### **5. Any other Business**

There were no items of urgent business.

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Chair of the Committee

The Committee rose at 3:50 p.m.