

**Minutes of a Meeting of the Economic Development Overview and Scrutiny Committee held on 22 May 2007**

Present: Councillor Peter Barnes  
" Gordon Collett  
" Michael Doody  
" Anne Forwood  
" Marion Haywood  
" Pat Henry  
" Mick Jones  
" Philip Morris-Jones  
" John Ross  
" Mick Stanley

Also Present: Councillor Alan Farnell, Leader of the Council.

Officers: Sara-Louise Board, Asset Manager, Environment and Economy Directorate.  
Jean Hardwick, Principal Committee Administrator, Performance and Development Directorate.  
Mark Morris, Programme Co-ordinator Regeneration, Environment and Economy.  
Sackie Somal, Head of Inward Investment, Environment and Economy Directorate.  
John Scouller, Head of Skills, Tourism and Economy, Environment and Economy Directorate.  
Mandy Walker, Regeneration Projects, Skills, Tourism and Economy, Environment and Economy Directorate.  
Paul Williams, Scrutiny Officer, Performance and Development Directorate.  
David S Williams, County Economic Development Officer, Environment and Economy Directorate.

**1. Election of Chair**

The Committee appointed Councillor Mick Jones as Chair for the ensuing year.

**2. Election of Vice Chair**

The Committee appointed Councillor Anne Forwood as Vice Chair for the ensuing year.

**3. General**

**(1) Apologies.**

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

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

- (1) Members declared personal, non prejudicial interests by virtue of them serving as district/borough councillors as follows –

Warwick District Council – Councillor Michael Doody

Nuneaton and Bedworth District Council – Councillor John Ross

Stratford District Council – Councillor Peter Barnes

North Warwickshire District Council – Councillors Anne Forwood and Mick Stanley.

- (2) Councillor Anne Forwood declared a personal, non-prejudicial interest, as a Member of the Management Committee of the Rowan Organisation (applicant for a tenancy at the EPIC).

**(3) Minutes**

**(a) Minutes**

Resolved that the minutes of the meeting held on 27 March 2007 be agreed as a correct record and be signed by the Chair.

**(b) Matters Arising**

Peugeot Update

John Scouller reported that Ian Davies (Rugby Borough Council, Planning Officer) was holding an exploratory meeting with the prospective new owners of the Peugeot site that afternoon and would be inviting them to meet the Land Use Group following completion of the sale of the Peugeot site which was expected to take place in mid June. Indications were that Littlewoods Co. would occupy half of the site, and that a planning application for this change of use was expected to be submitted shortly after completion of the sale had taken place.

Members expressed concern about any change of use of this site and asked that they be kept informed of the position and that a further report be brought to the Committee's July meeting or sooner, to a special meeting, if it was considered necessary.

## **2. Public Question Time**

None

## **3. Eliot Park Innovation Centre (EPIC)**

Sara-Louise Board presented the report of the Strategic Director for Environment and Economy which set out the progress of EPIC to date with particular reference to the occupancy, type of companies at the centre, the progress of the ERDF and Advantage West Midlands outputs and the marketing plan for 2007-08. She highlighted –

- the graph in paragraph 2.5 of the report, which showed that the occupancy of the EPIC was below target. This was primarily because the take up of units had not been in line with those projected in the funding application and was further compounded by the decision to develop EPIC in a single phase, rather than two phases as initially planned.
- The graph in paragraph 2.12 of the report showed positive progress against green and sustainable targets, with the EPIC building outstripping targets for each output.
- That despite the low occupancy in the first two years, EPIC was performing better than similar developments (Binley and Warwick) in their earlier years and these were significantly smaller buildings.

In reply to questions Sara-Louise Board –

- Gave examples of the innovative work being undertaken at EPIC
- Explained that only 10% of applicants for EPIC fulfilled the qualifying criteria.
- Said that this was a knowledge based industry and suggested that, if the technical support provided by the companies based at the EPIC did not exist, the manufacturing industry would become even more vulnerable than it was now.
- Explained the initiatives that were being undertaken to promote, market and increase occupancy.
- Gave assurances about the future of the EPIC which was performing favourably as compared with how the Warwick Business Park had performed in its earlier years and which had operated successfully for 10 years.

During discussion Members said that they were impressed with the EPIC building and accepted the report and re-assurances about the actions being undertaken to secure its future.

The Committee –

- (1) noted the breadth of innovation companies located at EPIC and supported the strategies in place to develop the centre over the next 12 months.
  - (2) Asked the officers to look at the marketing strategies and web site coverage.
4. **Lyons and the Review of Sub National Economic Development: Implications for Economic Development in Warwickshire.**

The Committee considered the report of the Strategic Director for Environment and Economy.

The Lyons Inquiry recommended an enhanced role for local authorities in supporting their local economies. This review, together with the forthcoming Review of Sub- National Economic Development could bring major changes to the way local economic development was delivered. The report considered the recommendations of the reviews.

David S Williams explained how the Lyons' conclusions related to economic development in Warwickshire and circulated a summary of the report, which highlighted that –

- (1) Local authorities (LAs) had the key role to play in place making.
- (2) Central Government should become less prescriptive about how local authorities spend their resources.
- (3) More power should be given to local authorities in (much improved) consultation with stakeholders.
- (4) LAs should lead the partnerships to deliver locally set agenda.
- (5) Local and multi-area agreements were the means by which this should be done.
- (6) Local Area Business Growth Initiatives (LABGI) should be reviewed and made simpler.
- (7) LABGI was “an incentive for local authorities to maximise local economic growth”.
- (8) LAs should look closer at the sub-regions to deliver economic development.

In conclusion he said that the central issue was getting local government to take economic prosperity seriously and that the report included much comment about denationalizing the business rate to enable businesses to have a bigger say, and to influence what LAs did. This would also liberate LAs and enable them to make their own decisions. The Lyons report also highlighted that LABGI were complicated and difficult to understand.

Discussion followed during which Members said that they wished to know more about how the LABGI money (c£1.3m for WCC) was spent and it was proposed that this should be scrutinized at a future meeting.

The Chair said that the issues raised in the Lyons review were part of an on-going debate and suggested that Members should look at specific issues as the review evolved.

The Committee:-

- (1) notes the importance that Sir Michael Lyons' report places on the contribution that local authorities should make to the development of the local economy.
- (2) welcomes his proposals for improved inducements for local authorities to support their local economies.
- (3) notes that many of the approaches advocated by Lyons for delivering economic development at a sub regional level are practiced in the County
- (4) Looks forward to the publication of the report of the review by HM Treasury into sub-national economic development, at which stage the Committee wishes to receive a further report on the approach to be adopted to local authority support for the local economy, in the light of any new recommendations that may emerge from the review
- (5) agrees to schedule for discussion at a future meeting an examination into how the County Council spends its LABGI money.

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

### **(a) Future Work Programme**

The Committee noted the future work programme and the Chair reminded Members to put forward suggestions for issues that might be appropriate for future consideration by the Committee.

It was agreed that –

- (1) scrutiny of the County Council's spending of the LABGI money would be included in the agenda for the July meeting.
- (2) the July meeting would be held in a venue in Rugby (the Frank Whittle Centre if possible.)

**(b) Forward Plan**

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

**6. Any other Business**

None

.....  
Chair of the Committee

The Committee rose at 3:50 p.m.