

Minutes of a Meeting of the Economic Development Overview and Scrutiny Committee held on 29 January 2008

Present: Councillor Mick Jones (in the Chair)(following election)
" Anne Forwood (Vice Chair)
" Gordon Collett
" Michael Doody
" Eithne Goode
" Pat Henry
" Marion Haywood
" Philip Morris-Jones
" John Ross
" Ian Smith
" Mick Stanley

Also Present: Councillor Chris Saint (Portfolio Holder for Economic Development).

Officers: Jean Hardwick, Principal Committee Administrator, Performance and Development Directorate.
Andy McDarmid, Environmental Management and Performance Manager, Environment and Economy Directorate.
Janet Fortune, Group Manager Regeneration Strategy and Europe, Environment and Economy Directorate.
Nick Gower-Johnson, County Partnership Manager, Performance and Development Directorate.
David Pywell, Interim Strategic Director for Environment and Economy.
John Scouller, Head of Skills, Tourism and Economy, Environment and Economy Directorate.
Paul Williams, Scrutiny Manager, Performance and Development Economy Directorate.

1. Appointment of Chair

Resolved that Councillor Mick Jones be re-appointed as Chair for the remainder of the municipal year.

2. General

(1) Apologies.

None

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

None

(3) Minutes of the meeting held on 18 September 2007

Resolved that the minutes of the meeting held on the 18 September 2007 be agreed as a correct record and signed by the Chair.

Matters Arising

(a) Minute 5 Local Authority Business Growth Initiative (LABGI)

In reply to questions Councillor Chris Saint said that a report on LABGI funding would be brought to Committee in late Spring. It was noted that LABGI funding was not ear-marked specifically for economic development but included in the County Council's overall budget.

(b) Minute 4 Peugeot site – Planning Application update

Disappointment was expressed about the proposals for the former Peugeot site and concern that Members had not been kept updated on the position or a special meeting held for this purpose as promised at a previous meeting. The Chair acknowledged these comments but said he had not considered it necessary to call a special meeting. The County Council's views had been made known and it was the district council's responsibility to determine the planning application which had not been received until the latter part of the previous year. John Scouller said that the report later on in the agenda was the first opportunity he had had to update Members since September 2007 because the planning application had only recently been submitted and was currently being looked at by Rugby District Council.

3. Public Question Time

None

4. Value for Monday Review of WCC Economic Development Services

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

The report responded to the requirement to identify efficiencies and economies to improve the value for money of the Council's economic development services. It identified savings and called attention to the new government policies that should influence the approach taken by the Council towards economic development.

John Scouller highlighted that –

- (1) the report had not been formally signed off by the Strategic Directors Leadership Team,
- (2) efficiency savings had been made through savings and redundancies.
- (3) occupancy of the EPIC had increased and marketing would now be undertaken in house as from 8 February 2008 with a view to improving efficiencies and avoid duplication.
- (4) following a major review last year of the Education Business Partnership staff numbers had been reduced and income increased.
- (5) savings had been made by rationalisation of office accommodation for the Skills Delivery Group.
- (6) the success of the Nuneaton Opportunities Centre, which had generated £15,000 more than the forecasted budget.

During discussion the following comments were noted –

- (1) that discussion should be limited so that it did not impact on the County Council's budget debate the following week.
- (2) that Stratford District Council's decision not to appoint an economic development officer was as a result of public consultation and had not impacted on the service provided by County Council officers.
- (3) that the officers should be commended on the success of their work, which had been delivered with a relatively small budget. Concern was expressed, however, that omitted from the report were statistics relating to the number of new jobs created and innovative companies set up which it was considered necessary to combat the recent manufacturing job losses in the area.

Following which the Committee –

- (1) endorsed the main conclusions of the value for money review, taking account of the comments of the Strategic Directors Leadership Team (SDLT) that the service needs to improve its reporting and communication of the outcomes of the work done by the Council to support and regenerate the local economy, calls for a report on proposals for improving the reporting and communication of the results of the Council's actions in this area.
- (2) recommended that when Cabinet considered the report, they should cross refer the implementation of the proposals for service efficiencies with the outcomes of the Star Chamber.
- (3) in the light of the unprecedented institutional changes currently occurring, including the heightened priority the Government had identified for the local authority role in economic development and regeneration, recommends the deferment of the implementation of more radical economies resulting in service cuts and that over the next year officers report on the implications of the institutional and legislative changes resulting from the SNR and the Comprehensive Spending Review so that

they can be taken into account in advance of the budget considerations for 2009/2010.

5. 2007/08 Efficiency Savings – Environment and Economy Directorate Progress Report

The Committee considered the report of the interim Strategic Director of Environment and Economy, which outlined the progress the Environment and Economy Directorate had made to date in delivering the efficiency savings required as part of the 2007/08 budget.

John Scouller highlighted the –

- (1) unavoidable budget pressures, which had arisen during the year in relation to Highways Maintenance, including the cost of the summer floods.
- (2) unavoidable budget pressures in relation to the Education Business Partnership (EBP), Building Sustainable Neighbourhoods (BSN) and EPIC. These pressures had been addressed in large measure by the generation of additional external income by EBP, holding vacant a post in BSN and by securing new tenancies at EPIC.

The Committee noted the progress made by the Environment and Economy Directorate in delivering the 2007/08 efficiency savings target.

6. Mid-Year Directorate Report Card 2007/8 (April-September 2007)

The Committee considered the report of the Interim Strategic Director of Environment and Economy. The report provided an analysis of the Environment and Economy Directorate's performance at the mid-year point 2007/08 and on performance against the key performance indicators as set out in the Directorate Report Card.

Following which -

The Committee noted the summary detail of the performance indicators within the Directorate Report Card at the mid-year point of 2007/8.

7. Local Area Agreement Six Monthly Performance

The Committee considered the report of the Strategic Director of Performance and Development outlining the performance of the Local Area Agreement over the first six months.

Nick Gower-Johnson highlighted that –

- (1) Louise Bennett, Chief Executive of Coventry and Warwickshire Chamber led the LAA Economic Development and Enterprise block with support from Janet Fortune.
- (2) 15 of the 22 indicators were set to exceed their original targets.

- (3) Key objectives for the revised LAA were to expand engagement with partners and increase the availability of resources (either directly through pooled budgets or indirectly by influencing external grants and budgets).

Janet Fortune reported that –

- (1) the two indicators not showing improvement related to the share of employment in key sectors (new knowledge economy/high value added sector) and was due to better than anticipated employment growth in the rest of the economy and unemployment levels in Nuneaton and Bedworth. It should be noted, however, that performance on those targets had shown excellent improvement at the third quarter of the year.
- (2) Phase 2 LAA was scheduled to be in place by June 2008 and the two main objectives had been agreed as follows –
 - Narrowing the gap in economic performance between the north and south of the county, while at the same time raising overall performance.
 - “Investing in Success” – building on what makes Warwickshire a good place to live, work, visit and invest. (A copy of objectives 1 and 2 , which contained 6 of the key performance indicators was circulated).

Following discussion the Committee -

- (a) Welcomed the comprehensive performance management information contained in this report.
- (b) noted the progress made to date in relation to the Economic Development and Enterprise block and relevant indicators in the Climate Change and Environment block of the LAA and the remedial actions suggested by the Block Leader in respect of those measures that are currently forecasted to miss target.
- (c) Welcomed discussion of the new LAA Economic and Development block indicators at its next meeting.

8. Peugeot Ryton Plant Closure

The Committee considered the report of the Interim Strategic Director of Environment and Economy, which provided an update of the redundancies and land use issues following the closure of the plant at Ryton-on-Dunsmore.

During discussion the following comments were noted –

- (1) that the Peugeot Partnership Support Group (Jobs Centre Plus/Skills Council) had concluded its work but the Land Use Theme Group would continue to oversee the site development.
- (2) that concern was expressed about the proposed use of Plot B (Appendix A), in particular, in that it would not support the job numbers predicted for the site.

- (3) On the need for Members to be kept updated on the position on a regular basis.
- (4) The need to continue to encourage manufacturing use on the site.

The Committee asked that –

- (1) its comments and concerns be referred to the partners represented on the Peugeot Partnership Land Use Theme Group.
- (2) regular updates on the Peugeot site be emailed to all Members of the Committee.

9. Future Work Programme and Forward Plan Items relevant to the work of this Committee.

(a) Future Work Programme

Members noted the Committee's future work programme.

(b) Forward Plan

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

10. Any other Business

None

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Chair of the Committee

The Committee rose at 4:15 p.m.