MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the Economy and Development Select Committee
held at County Hall, Usk
on Thursday 19th June 2014 at 10.00 am

PRESENT: County Councillor S. Jones (Chairman)

County Councillors: D.L.S Dovey, D.L. Edwards, R.J. C. Hayward, J.L. Prosser, A.C. Watts, S. White and K.G. Williams

OFFICERS IN ATTENDANCE:

Ms. K. Beirne	- Chief Officer Enterprise
Mr. P. Davies	- Head of Commercial & People Development, Enterprise
Mr M. Howcroft	- Assistant Head of Finance
Mr. R. Jones	- Policy and Improvement Officer
Ms. S. Hayward	- Programme Manager & Employee Services Lead
Mr. S. Arthur	- Chief Technology Officer - CMC[2]
Miss H. Ilett	- Scrutiny Manager
Mr. R. Williams	- Democratic Services Officer

1.   CHAIRMAN

We noted the appointment of County Councillor S. Jones as Chairman.

2.   VICE-CHAIRMAN

We appointed County Councillor D.L. Edwards as Vice-Chairman.

3.   APOLOGIES FOR ABSENCE

There were no apologies made by Select Committee Members.

4.   DECLARATIONS OF INTEREST

There were no declarations of interest made by Select Committee Members.

5.   CONFIRMATION OF MINUTES

We confirmed the minutes of the Economy and Development Select Committee held on 9th May 2014 as an accurate record and they were signed by the Chairman.

In doing so, the following points were noted:

- It was considered that car parking charges needed to be addressed first before considering any potential change to the current car park regime. The Scrutiny Manager stated that a special meeting of the Economy and Development Select Committee would be convened to further consider this matter.

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- In response to a Select Committee Member's question, the Chief Officer for Enterprise stated that as the summer season was about to begin, the Tourist Information Centres would shortly be opened until the end of the summer season.   However, discussions with partners were required to maintain funding for this service. An update report in respect of the Tourist Information Centres will be presented to the Select Committee in September 2014. **The Chief Officer will circulate the business plan to the Select Committee for information.**

- **The Scrutiny Manager will investigate progress in respect of the Democratic Services Committee reviewing the function and terms of reference of the Coordinating Board.**

6.   PUBLIC OPEN FORUM

There were no members of the public present.

7.   iCOUNTY AND DIGITAL ROAD MAP

We received a report and presentation by the Chief Officer for Enterprise regarding iCounty and Monmouthshire's Digital Roadmap.

iCounty is built around three key pillars:

- Improving internal systems, data delivery and infrastructure in order to continually reinvent the services that matter most to our communities.

- Digitally enabled, inclusive and connected communities that recognise the increasing relevance of technology and work with the Council to solve problems.

- Creating products and commercial assets to realise potential commercial product offerings and support the expansion and creation of local digital clusters.

The presentation outlined the following points:

Introduction:

- Contribution of digital technology to sustainable and resilient communities.

- Technology is critical to efficiency and effectiveness.

- iCounty not iCouncil.

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- Council efficiency, yes but also engagement.

- Taking back control of our digital ambitions.

- iCounty is a long term strategy.

- iCounty is not about a focus on any one of our potential delivery partners – it is about how we mobilise the activity and resources of those best placed to help us deliver the vision and objectives.

Vision and themes

- Become one of the United Kingdom's most inspiring spaces for digital enhancement. An iCounty characterised by a growing digital economy.

Why?

- Grow the potential of communities, schools, businesses and residents to use technology to solve some of our biggest problems.

- Digital era.

- Technology is finding us.

- Time to re-assert our digital ambitions.

- Adapting, interacting, connecting. Making our place liveable and investable.

- Enable us all to take full advantage of everything the County has to offer.

What?

- Internal systems, data and infrastructure.

  - Reduce reliance on legacy and proprietorial systems.
  - Open data.
  - Automating slow / repetitive processes.
  - Consolidation and integration.
  - 'On demand' reporting.
  - Review of the SRS.

- Digitally enabled, smart and inclusive communities.

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- Increasing community engagement.
- Broadband infrastructure and 4G.
- Self Service.
- Real time data.
- Grow science, technology, engineering and maths (STEM) network.
- Engage local industry.
- Maximise the potential of CMC2.

- Creating products and assets

- Developing commercial products.
- Launching start up incubators.
- Addressing the growing skills gap.

How?

- Monmouthshire's Digital Roadmap.

Evaluating Impact

- Clearly defines the problem, solution, evidence, aims and outcomes.

- Set of thoughtful measures that cover both quantifiable outcomes and the harder to capture, 'quality of life' results.

- Important that we can answer the 'so what?' question.

Resources

- Not about 'new'.

- Opportunities for consolidation and efficiency.

- Income generation.

- Rural Development Plan.

- Superfast Cymru.

- Section 106.

- Social Capital and ideas.

Conclusion

- Technology thrives on ideas, innovation, skills, assets and social capital and Monmouthshire has these in abundance.

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Digital Roadmap

- Documenting progress through a live action plan.

- Is continually updated and is a live, dynamic and 'real time' means of tracking progress.

Having received the report and presentation, the following points were noted:

- In response to a Select Committee Member's question, the Chief Officer for Enterprise stated that iCounty and the Digital Roadmap should firstly focus on making better use of existing resources.

- CMC2 will play a role in developing and delivering on the strategy and roadmap, along with SRS and other partners who may be considered well placed to play a part. Such decisions will be made through the new governance structures to ensure openness and accountability.

- Schools interaction was being undertaken.

- Forming partnerships with businesses to unlock local talent and create and support local supply chains.

- Have signed up as the Welsh Centre for the Young Rewired State Festival of Code.

- Launch regular coding sessions for schools.

- SRS review work would inform the development of iCounty and provide a measure of ROI for the current levels of investment.

- Ensure the rural parts of the County gets connected to superfast broadband. However, resources required to exploit this and a report covering this matter was to be considered next by the Select Committee.

- In response to a Select Committee Member's question, the Chief Officer for Enterprise stated that the Enterprise Directorate had undertaken responsibility for technology from 1st April 2014 and had started to investigate the aspects of technology that were not working within the County, with a view to rectifying these issues.

- Progress regarding Office 365 has been slow. However, the implementation of Office 2013 was currently being installed across the Authority led by SRS.

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- A Members' briefing session would be held and led by Sian Hayward to outline the Digital Roadmap to all Members and would be focussed on practical measures to enable Members to maximise use of technology available to them.

- CMC2 was working with schools to encourage children to become more digitally aware. However, it was acknowledged that it was sometimes harder to get older people more engaged with the digital programme. However, efforts were being made to improve engagement and intergenerational learning opportunities.

- Some Members considered that the iCounty document was technical and needs to be presented in a simpler format for public engagement. A further question was asked about the risks associated with progressing the digital agenda. The Chief Officer for Enterprise stated that the Authority needed to be up to date with advancing technology and not run the risk of being left behind. In addition, the Chief Officer stated that a 'user friendly' two page summary of the document would be prepared.

- The Shared Resource Service (SRS) was currently being reviewed and was expected to play an important part in the delivery of iCounty. However, it was important to re-establish the purpose, role and contribution of SRS at this time in order to ensure continuing fitness for purpose. The review work was establishing fundamental outcomes and return on investment levels in order for Monmouthshire to decide where best to invest in internal I.T. service delivery in the future.

We resolved to receive the presentation and report and noted its content.

8. FUTURE BROADBAND INFRASTRUCTURE

We received a presentation by the Head of Commercial & People Development, Enterprise regarding the future broadband Infrastructure for Monmouthshire.

In doing so, Select Committee Members were provided with the following information:

Context

- In 2011 the Welsh Government appointed British Telecom to roll out superfast broadband connectivity to 99% of homes and businesses in Wales by 2016.

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- As of May 2014, none of Monmouthshire's telephone exchanges have been upgraded.

- Monmouthshire County Council has been unable to acquire the necessary clarity on the scope and scale of impact to residents in relation to the potential for further digital exclusion.

- Superfast broadband will mainly be available around the towns given that matches the location of key exchanges.

- Broadband speeds have been identified and mapped with large swathes of the County currently without connectivity and it is likely that based on current proposals, this may continue into the future.

- Estimations demonstrate that post the roll out of Superfast Cymru – About 22% of the County will not receive sufficiently high speed connectivity.

- 7800 properties and businesses will have slow broadband connection.

- May affect businesses remaining within the County.

- Affordability is also an issue and we are currently investing the potential to 'de-scope' in order to make best use of the available finances to provide the investment needed.

Conclusions:

- Being forced to accept top down deployment strategy with insufficient information to enable planning.

- Unlikely to see re-engineering of the network, although we are currently investigating whether this is something that the roll-out may incorporate.

- 78% roll out means the scale in the gap included – excluded is marked.

- This could mean the digital divide is deepening and could have major ramifications for business development, growth and economic competitiveness.

Opportunities:

- Break the cycle and 'de-scope'.

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- Identify and progress alternative suppliers and technologies such as wireless and satellite.

- Encourage integrated solutions.

- Communities already engaged.

- Scope for scalable solutions.

- Encourage interim technologies.

- Strengthen existing partnerships.

Embrace other opportunities:

- Use insights and raise awareness.

- Capitalise on the success of Monmouthpedia and town centre wi-fi schemes.

- Maximise strategic use of s106 and Community Infrastructure Levy (when commenced).

- I.T. exploitation is a major consideration and CMC2 is already making progress on this front.

- Embrace 'iCounty' vision.

Next Steps:

- Identify and pursue funding opportunities.

- Undertake an extensive programme of ICT exploitation and broadband demand.

- Identify opportunities for digital apprenticeships.

Having received the presentation, the following points were noted:

- Members unanimously felt that the profile of the issue needed to be raised urgently.

- Members expressed concerns about 22% of the population potentially being 'left behind' and requested the actions be taken forward at pace and with urgency.

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- Members conveyed that they wanted a progress update on this matter in the medium-term meeting cycle.
- Members felt the future success of iCounty could be compromised unless basic connectivity and infrastructure could be delivered.

- Dialogue with appropriate organisations / businesses needed to be had over the coming months to ascertain their needs with a view to approaching Welsh Government to explore options for Monmouthshire.

- A reduction in business rates could be explored to help facilitate solutions in the future.

We resolved to receive the presentation and noted its content.

9. IMPROVEMENT OBJECTIVE AND OUTCOME AGREEMENT PERFORMANCE 2013/14

We received an update report by the Policy and Improvement Officer regarding Improvement Objective and Outcome Agreement performance 2013/14.

Select Committee Members were informed:

- Improvement Objective 3 has been scored as Level 3 – Adequate.

- Improvement Objective 5 has been scored as Level 4 – Good important strengths with some areas for improvement.

- Outcome Agreement theme 3 has been scored as partially successful.

This indicated that the Council would receive 100% of the funding. Scores across all five themes were subject to the approval of Welsh Government. Questions were asked in relation to:

- Success of Jobs Growth Wales and continuing opportunities to assist young people into work and training and the importance of apprenticeships.

- The results in relation to investment in new starts and business re-locations to the county were disappointing. The Chief Officer explained that whilst the target had not been met, the economy is a market function and not a policy area led by the Council. A big company re-location had indeed gone ahead which would ensure the target was exceeded, but unfortunately, this did not happen before the 31st March 2014. It is not possible to control all factors in the case of economic development and ensure such matters fit neatly with our 12 monthly Council reporting cycle.

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- A question was also asked about the numbers of people locally who believed they could control and influence the Council and the services they received. Whilst this was felt to be low, and perhaps not reflective of the Monmouthshire Engages work, Whole Place and Community Co-ordination, the Improvement Officer explained that this was a national study. It was agreed by all that more work needs to be done in the future to drive meaningful engagement in order that we see upward movement in this measure.

Having received the report, the following points were noted:

- A report regarding the development of a Monmouthshire Enterprise Strategy will be presented to Cabinet in September 2014.

- The Select Committee will scrutinise the Enterprise Strategy report at the next meeting on 24th July 2014.

We resolved:

(i)   to receive the report and note its content;

(ii)   to confirm the evaluation scores based on the evidence.

10.   DRAFT REVENUE BUDGET OUTTURN 2013/14

We received the draft revenue outturn opposition at the end of the 2013/14 financial year.

Select Committee Members were informed:

- The 2013/14 net expenditure budgets attributable to the Economy & Development Select Committee oversight was £8,732,000. The related annual net expenditure forecast (using outturn data) was £8,487,000, and introduced a £245,000 under spend.

- The service had £602,000 savings attributed to it during the 2013/14 budget process. At outturn, £479,000 savings had been made in full. £25,000 will be delayed into 2014/15 and £98,000 was regarded as not achievable in the form anticipated. These have been mitigated by savings and income in other areas and so do not introduce a further net pressure.

- The services have experienced a significantly improving position since month 9, further improving the position reported at month 6.

- The net saving of £255,000 in respect of public, life and culture can be attributed to

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Leisure	(£108,000)
Shire Hall	(£86,000)
Libraries	(£37,000)
Public Health & trading standards	(£25,000)

- The net outturn cost of £10,000 in respect of Planning, Place and Enterprise was an improvement of £93,000 on outturn expectations based on month 9 activity, and can be attributable to a net cost experienced within the Countryside Division despite compensatory savings being made to other services within the division mitigating the cost of overspend to a significant extent.

- A general surplus of £877,000 for the financial year 2013/14 overall has been achieved.

Having received the report, the following points were noted:

- The under spend for the old Regeneration and Culture Directorate was £240,000 and that the Directorate has generated income, in particular in Leisure, as well as achieving savings, contributing towards the under spend.

- The under spend will contribute to the Council's reserves position.

- In response to a Select Committee Member's question, the Chief Officer for Enterprise stated that the new business plan for Caldicot Castle was now being implemented and a marked improvement was sought.

- The Passenger Transport Unit had over spent considerably and although this falls within the remit of Strong Communities there are aspects of it such as strategic transport and car parking which were future areas of focus for the Committee. A strategic review has been convened to fundamentally improve and strengthen all aspects of budget setting, management and monitoring and to ensure these circumstances cannot recur.

We resolved to receive the report and noted its content.

11.   CAPITAL PROGRAMME 2013/14 OUTTURN STATEMENT

We received the capital outturn position for 2013/14 presented by the Assistant Head of Finance for schemes relevant to the Economy and Development Select Committee.

Select Committee Members were informed:

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- A revised budget of £5,350,000 being based upon slippage from 2012/13 of £2,607,000, £3,150,000 original 2013/14 approvals, and £325,000 subsequent revisions to the 2013/14 budget, less slippage of £732,000 into 2014/15.

- Outturn expenditure was £5,538,000, resulting in a net over spend at outturn of £188,000, consequential to the Abergavenny Regeneration Scheme overspend of £216,000, mitigated in part by an underspend of £28,000 in respect of the Brewery Yard scheme.

- Slippage of £732,000 was approved by Cabinet on 4th June 2014.   This slippage mainly related to:

   - Replacement cattle market (£236,000).
   - Caerwent House repairs (£300,000).
   - Development schemes <£250,000 (£193,000).

For comparison the month 10 anticipated slippage position was £779,000.

Having received the report, the following points were noted:

- A further initial hearing had taken place with regards to the continuing legal case around the replacement Cattle Market. It is unknown at this stage whether there will be a financial impact.

- The Assistant Head of Finance will be presenting a more streamlined report to future Select Committee meetings in respect of capital and revenue budget monitoring, in the same way that these reports are presented to Cabinet. These reports will contain more tabular data and be less descriptive.

We resolved to receive the report and noted its content.

12.   WORK PROGRAMME 2014/15

We received the Economy and Development Select Committee Work Programme for 2014/15. In doing so, the following points were noted:

- **A Special Meeting of the Select Committee will be required to undertake pre-decision scrutiny in respect of the review of car parking.**

- **Agenda items for the next Select Committee Meeting on 24th July are:**

   - **Scrutiny of the performance of the Shared Resource Service (SRS).**
   - **Scrutiny of the Enterprise Strategy.**

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- **Invite representatives from Bristol City Council to attend a future meeting of the Select Committee to provide the Committee with a presentation on City Regions.**

We resolved to receive the report and noted its content.

13. COUNCIL AND CABINET BUSINESS FORWARD PLAN

We resolved to receive the Council and Cabinet Business Forward Business Plan and noted its content.

14. TIMING OF FUTURE MEETINGS

We resolved to continue to convene meetings of the Economy and Development Select Committee at 10.00am with a view to being flexible when required.

15. DATE AND TIME OF NEXT MEETING

We noted that the next meeting of the Economy and Development Select Committee would be held on Thursday 24th July 2014 at 10.00am.

The meeting closed at 1:32pm