

**MONMOUTHSHIRE COUNTY COUNCIL**

**Minutes of the Economy and Development Select Committee held at County Hall, Usk on Thursday 5<sup>th</sup> March 2015 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, D.J. Evans, A.C. Watts, and A.M. Wintle

**ALSO IN ATTENDANCE:**

County Councillor V.E. Smith

**OFFICERS IN ATTENDANCE:**

Ms. K. Beirne	- Chief Officer, Enterprise
Mr. P. Davies	- Head of Commercial and People Development
Mr. I. Saunders	- Head of Tourism Leisure and Culture
Ms. C. Fallon	- Head of Economy and Enterprise
Mr. J. Woodcock	- Business Manager, Monmouthshire Business & Enterprise
Ms. H. Ilett	- Scrutiny Manager
Mr. R. Williams	- Democratic Services Officer

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from County Councillor S. White.

**2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**3. CONFIRMATION OF MINUTES**

We confirmed the minutes of the Economy and Development Select Committee, held on 8<sup>th</sup> January 2015, as an accurate record and they were signed by the Chairman.

**4. PUBLIC OPEN FORUM**

There were no members of the public present.

**5. BUSINESS IMPROVEMENT DISTRICT - ABERGAVENNY**

We scrutinised the report regarding the proposed Business Improvement District (BID) in Abergavenny and the associated implications for the Council should the ballot result in an absolute majority outcome. In doing so, a presentation was received and the following information was noted:

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**What is a Bid?**

- First established in 2004, 188 in existence, three in Wales, 11 in development.
- Business led initiative in a defined area within which businesses agree town improvements, implementation and costs.
- A chargeable levy determined by the band of rateable value, i.e., above £10,000, to fund projects in the boundary area. Projects to be additional to those provided by the Council and any other public sector organisation

**Why Abergavenny?**

- Identified as a development opportunity in the Whole Place plan – link to ‘Our County Thrives’.
- Funding opportunity from Welsh Government as a result of the bid for Vibrant and Viable Places funding application.
- Welsh Government funding consultancy costs for advice and support to undertake the BID ballot.

**Abergavenny BID Objectives**

- Increase footfall and spend by enhancing Abergavenny as a destination town.
- Create a quality environment where people can access the town centre easily and efficiently.
- Ensure the town holds a mix of sectors and services which support each other and further enhance the town’s offer and vitality.

**Associated Opportunities**

- 431 properties in Abergavenny BID liable to pay the BID levy. It was anticipated that this will raise over £250,000 per annum for five years to implement improvements.
- Will generate in excess of £1.25M investment over the five year BID period.
- Will also provide match funding potential to draw in additional funds.

**The Democratic Process of the BID**

- Business consultations started in April 2014 to determine BID priorities:

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- Business Confidence Survey promoted via postcards to all business premises in the BID area.
  - Consultation event in April 2014.
  - Public Meeting hosted by the Civic Society in April 2014.
  - Business Workshop in June 2014.
  - Draft summary business plan hand delivered to all businesses in BID area - December 2014.
  - Mail out in February 2015 with information about the levy and timing of the ballot.
  - Current One to One Consultations.
- BID Task Group formed from businesses within the BID area.
  - Objectives determined which formed the draft business plan.
  - Final business plan to be distributed to BID businesses in April 2015.
  - Business plan to provide the basis for the ballot to take place from 14th June to 14th July 2015.
  - BID becomes compulsory if businesses vote in its favour on two counts - overall majority, majority of those that vote must also represent a higher rateable value than those businesses that have voted 'No'.

**Recommendations for the Select Committee to consider**

- Agree to charge the BID delivery mechanism an annual cost (amount to be determined) for the duration of the BID to cover Council costs associated with the collection of the BID levy on behalf of the BID.
- If a 'yes' vote is secured to offer conditional up-front financial support in July 2015 to enable the BID team to start delivery of BID projects and services without delay. Support to equate to 35% of the first year's BID levy, approximately £90,000 to be redeemed in full by the County Council upon receipt of the BID levies.
- Delegate authority to the Head of Legal Services in consultation with the Leader to sign the necessary operating agreement that will exist between the Council and the BID delivery mechanism.

**Approval sought for**

- Allocation of funds, anticipated to be no more than £10,000 per annum, for the Council's BID levy liability for the five year term of the BID, managed from within existing revenue budgets.

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- £90,000 advance to the BID delivery mechanism to be returned once the BID levy is received. Cash flow implication is minimal.
- Annual charge to the BID delivery mechanism (amount to be determined) for the duration of the BID to cover Council costs associated with the collection of the BID levy. Costs to include administration and recoverable cost of implementing and running the software to enable the BID monies to be administered.

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

- In response to a Select Committee Member's question regarding the operating agreement and the BID delivery mechanism, it was noted that discussions were being held with the consultants to establish whether the BID will be a separate company or whether there was a need for it to work with the Town Team bringing initiatives together. There will be an options report which will be presented to the Steering group on the 9<sup>th</sup> March 2015 regarding this matter. A member of the Town Team will be in attendance at this meeting in order to bring together the relevant issues. This will ensure that all options were being explored with a view to ensuring that the right option would be achieved.
- The number of Monmouthshire County Council premises within the proposed BID area equated to 20 with the total number of premises equating to 431. Therefore, Monmouthshire County Council would have 20 votes out of a total of 431 votes.
- The Chief Officer, Enterprise stated that the Whole Place Strategy had been presented to Cabinet yesterday regarding a proposal to commission a review called community governance. Currently, there was a whole plethora of groups within Abergavenny that could potentially take on the role as delivery agents as the Authority looks into different ways of running local services. Therefore, the immediate priority over the coming weeks will be to decide who is best placed to do what.
- The consultants were Mosaic Partnerships and knew the Abergavenny area well. There were 188 models in existence and Mosaic Partners had been involved in the development of most of these models. With the Town Team in place, it was considered that all options needed to be pursued. In the business plan there will be a Board of Directors comprising of businesses. It would be transparent in its operation, and currently, would be a not for profit company. However, all options would be investigated. Officers' role in this matter was to facilitate the process.
- A quote had been received from Northgate regarding the software package in the sum of £14,000. However, the Revenues Section considered that this was excessive and were discussion with Northgate to negotiate a lower figure.

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- In response to a Select Committee Member's question regarding whether it might be better suited if the Abergavenny Chamber of Commerce were to receive the funding to take this forward rather than officers, the Head of Economy and Enterprise stated that Abergavenny Business Club was supportive of the BID. In terms of match funding, the opportunity was open to other groups to apply for match funding. In terms of CMC2, the BIDs were run via different legislation and required a different mechanism to progress.
- In response to a Select Committee Member's question it was noted that the BID could have separate CICs if it decided upon this. However, there was another layer of governance involved with CICs which was in addition to a standard not for profit enterprise.
- Businesses under £10,000 rateable value will not have a vote.
- An update report will be brought back to a future meeting of the Select Committee.

We resolved:

- (i) to note the boundary of the proposed Abergavenny BID as detailed in the appended Abergavenny BID Draft Summary Business Plan;
- (ii) to agree that financial provision was made for the proposed BID levy in respect of the Council's estate within the BID area, exact figures were yet to be confirmed but were unlikely to be in excess of £10,000 per annum to be paid for the duration of the BID's five year operation;
- (iii) to exercise the Council's vote to support the proposed BID ballot in respect of the Council's estate within the BID area and to delegate authority of the vote to the Head of Commercial and People Development.
- (iv) to note that formal notice of the Ballot has been received by the Chief Executive and Returning Officer and that correspondence has been sent to the Department for Communities and Local Government to advise them of the intention to pursue a Business Improvement District in Abergavenny;
- (v) to agree Officers' recommendations to charge the BID delivery mechanism an annual cost (amount to be determined) for the duration of the BID to cover Council costs associated with the collection of the BID levy;

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- (vi) In the event of a 'yes' vote being secured to offer conditional up-front financial support in July 2015 to enable the BID team to mitigate the risks against start up failure by enabling them to start delivery of BID projects and services without delay. The financial support will equate to 35% of the first year's BID levy, approximately £90,000 and will be redeemed in full by the Council upon receipt of the BID levies;
- (vii) to delegate authority to the Head of Legal Services in consultation with the Leader of the Council to sign the necessary operating agreement that will exist between the Council and the BID delivery mechanism.

**6. MONMOUTHSHIRE CYCLING EVENTS RETURN ON INVESTMENT AND EVALUATION 2014**

We scrutinised the Monmouthshire Cycling Events return on investment and received an analysis of the wide ranging benefits of delivering the 2014 National Cycling Road Race Championships and the 2014 Tour of Britain.

The Events Team were developing a toolkit for events as sound evaluation and return on investment were critical in ensuring events were delivering the necessary outcomes and objectives.

Having received the report, the following points were noted:

- In response to a Select Committee Member's question regarding whether the Authority had the capacity to provide future events on this scale, the Head of Tourism Leisure and Culture stated that the data for the cycling events was available. A significant positive impact had been made regarding the effect on tourism and bringing in additional tourism to the County. Monmouthshire was seen as the road race capital. Positive development with local cycling clubs was happening and the cycling events recently held within the County had inspired more people to take up cycling.
- The report was an early indicator outlining the success of the cycling events. Officers were now going through a period of reflection and were compiling qualitative impact data. Therefore, the impact will not be seen in the STEAM data for 12 months. However, this data would be presented to the Select Committee when available.
- The Council might need to invest in the County's infrastructure if further high profile events were to be held within Monmouthshire in the future.
- The Select Committee was pleased with the exposure that Monmouthshire had received as being a County for tourism as a result of the cycling events recently held. However, impact data needed to be provided at a future Select Committee meeting outlining details such as footfall in the towns before and

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after the events, interviews with traders before, during and after the events, in order to ascertain the impact on local communities and businesses.

- It was noted that large scale future events would require some investment from the Council in advance in order to ensure that a return on investment would be achieved. Mechanisms needed to be put in place to support a framework and allow the Authority to invest sustainably.
- More tourism accommodation would provide a greater return on investment. The £2.76M return on investment could have been higher if more tourism accommodation had been available in Monmouthshire during the recent cycling events.
- In response to a Select Committee Member's question, the Head of Tourism Leisure and Culture stated that he would go back to Front Line regarding figures in respect of the Tour of Britain to obtain a more detailed breakdown of the figures relating to this event.
- The Events Team was looking to put on an event in June 2015 around the velothon.
- It was acknowledged that there had been a number of volunteers who had provided their time free of charge. If these individuals had not been available, the costs to the authority in organising the events would have been higher.
- It was acknowledged that for future events there was a need to improve and invest in communication.

We resolved:

- (i) to receive the report and noted its content;
- (ii) that the Select Committee receives an update report at a future meeting outlining details of impact data and sustainability.

**7. CAPITAL BUDGET MONITORING 2014/15 MONTH 9 OUTTURN FORECAST STATEMENT**

We resolved to defer consideration of this report to the next ordinary meeting of the Economy and Development Select Committee as the hyperlinks contained within the report were not working, resulting in Members not being able to receive all of the data.

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**8. REVENUE MONITORING 2014/15 MONTH 9 OUTTURN FORECAST STATEMENT**

We resolved to defer consideration of this report to the next ordinary meeting of the Economy and Development Select Committee as the hyperlinks contained within the report were not working, resulting in Members not being able to receive all of the data.

**9. WORK PROGRAMME**

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

**30<sup>th</sup> March 2015 at 10.00am (Special Meeting)**

- Y Prentis Scheme.
- Supporting Monmouthshire Businesses.
- Tourism Destination Management Strategy.
- Shared Resource Service.
- Capital Budget Monitoring 2014/15 Month 9 Outturn Forecast Statement.
- Revenue Monitoring 2014/15 Month 9 Outturn Forecast Statement.

**21<sup>st</sup> April 2015 at 12.00pm**

- CMC2 – Community Interest Company leading green and digital growth.
- Chief Officer Enterprise Annual Report.
- Improvement Plan 2014 – 2017.
- Revenue and Capital Budget Monitoring – Outturn Reports.

We resolved to receive the work programme and noted its content.

**10. COUNCIL AND CABINET BUSINESS – FORWARD PLAN**

We received the Council and Cabinet Business Forward Plan.

In doing so, the Scrutiny Manager stated that she had emailed a report to Select Committee Members this morning, for information, from the Community Infrastructure Coordinator regarding Caldicot Pitch and that Select Committee Members should email the report author directly if they had any comments to make in respect of the report.

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

**The meeting closed at 11.45am.**