

## MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Economy and Development Select Committee held at Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 26th November, 2015 at 10.00 am**

**PRESENT:** County Councillor S. Jones (Chairman)  
County Councillor (Vice Chairman)

County Councillors: D. Dovey, D. Evans, B. Hayward, A. Watts and A. Wintle

### **OFFICERS IN ATTENDANCE:**

Kellie Beirne	Chief Officer, Enterprise
Cath Fallon	Head of Economy and Enterprise
Martin Davies	Planning Policy Manager
Hazel Ilett	Scrutiny Manager
Peter Davies	Head of Commercial & People Development
Nicola Perry	Democratic Services Officer
Marie Bartlett	Finance Manager
Mark Hand	Head of Planning
Vanessa Janes-Evans	Business and Enterprise Manager
James Woodcock	Existing Business Manager

### **APOLOGIES:**

Councillors S. White, D. Edwards and J. Prosser

#### **1. Declarations of Interest**

There were no declarations of interest made by Members.

#### **2. Public Open Forum**

There were no members of the public present.

#### **3. To confirm and sign the minutes of the previous meeting**

The Committee confirmed and signed the minutes of the following meetings of the Economy and Development Select Committee held on:

- i. Special Meeting 30<sup>th</sup> September 2015.
- ii. Ordinary Meeting 15<sup>th</sup> October 2015.
- iii. Special Meeting 4<sup>th</sup> November 2015

The Chair expressed thanks to Democratic Services Officers for their continued hard work and production of accurate minutes.

## MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Economy and Development Select Committee held at Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 26th November, 2015 at 10.00 am**

### **4. Performance Report on the support offered to businesses through the Monmouthshire Enterprise Strategy**

#### **Context:**

Members were presented with a report from the Head of Economy and Enterprise in order to provide a performance update on the activities of Monmouthshire Business and Enterprise (MBE).

#### **Key Issues:**

- One of the Council's four priorities is 'Supporting Enterprise, Entrepreneurship and Job Creation'. In 2014 a new vision for the Enterprise Directorate was agreed: To develop and promote an enterprising culture, which builds business resilience and creates excellent outcomes for our communities. Within this vision a specific mission for MBE has been identified which is to build the enterprise capacity and reinvent our future.
- Cabinet approved the Monmouthshire Business Growth and Enterprise Strategy in November 2014 and endorsed the appended Action Plan. Within the Strategy there are three pillars or objectives presenting a consolidated approach to the delivery and implementation of the Strategy:
  1. Supporting Business Growth
  2. Enabling Inward Investment; and
  3. Growing Entrepreneurs.
- The Strategy and the associated annual Business Plan for MBE addresses customer needs through the provision of a programme of business support, networking and facilitation to help unlock the potential for growth in the County. In 2015/16 activities are targeted towards achieving these key priorities and maximising funding opportunities to reduce the financial burden on MCC.
- Further to this and following the closure of the 2007-2013 RDP programme in December 2014, a new Local Development Strategy was submitted to Welsh Government in September 2014. The Vale of Usk Local Development Strategy approved by MCC Cabinet in June 2015, is a key tool in drawing down funds of £2.79M from the new 2014-2020 RDP Programme which has now been expanded to include the rural wards of Newport. MCC is the Administrative Body for the programme holding overall responsibility. Activities are directed through the newly formed Vale of Usk Local Action Group – a local partnership based on the three thirds principle of representation from the community, private and public sector.
- In addition MBE also delivers the external strand of the Council's iCounty Strategy which includes the coordination of broadband infrastructure and ICT exploitation activities.

The Chair invited the Head of Commercial and People Development to update the Committee on Skutrade, a pre-trade cloud based software that enables businesses to know the real-time full costs and profitability of selling products in international markets. Skutrade was being supported by MCC further to a Cabinet report presented in July 2015 which stipulated how Skutrade would help deliver the Council's iCounty and Monmouthshire Business Growth and Enterprise strategies by enabling Monmouthshire businesses to have reduced fee access to the platform.

## MONMOUTHSHIRE COUNTY COUNCIL

### Minutes of the meeting of Economy and Development Select Committee held at Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 26th November, 2015 at 10.00 am

We heard that there was some slight slippage in the timeline, one of which had been brought about by some of the delay in bringing the platform through user acceptance testing. Officers were hopeful that by the end of the year we would be in a position to conclude on the market testing and bring the business case to legal and finance colleague.

Members were invited to comment.

#### Member Scrutiny:

Members asked if there were specific problems with Skutrade. In response we were informed that there were not necessarily problems just software development issues where testing programmes had taken longer than anticipated. Testing had identified that certain fixes were needed that had stretched the timeline.

Members expressed concern that they had been led to believe that we were ready to go and had already been presented with a robust business case, but were now hearing that we would be ready in the New Year. The Head of Commercial and People Development advised that the report had been brought to Select Committee and Cabinet had advised that the development was a work in progress. Officers were keen to receive complete reassurance that the platform was ready to go with risk suitably mitigated, and when officers were comfortable with the business case it would be pushed forward.

A question was raised regarding our position with intellectual property in general. We were advised that officers were still taking advice and when, as a Council, we were solid in terms of arrangement the market would be actively engaged.

There were concerns that significant jobs had been lost in the area and it was questioned if we were looking to utilise the people affected by this. It was also questioned if we were observing what was happening in Bristol. It was noted that a fair proportion of the workforce were travelling over the bridge, and several businesses were expanding their offices into Bristol.

The Chair noted that a roadshow would be held where conversations could be held with businesses to address the issue raised.

The Cabinet Member expressed that it was unfortunate to not see the continuation of the renewables business in Chepstow. When a number of jobs were lost due to the closure of Mabey Bridge very few had not found new work in the area. In terms of general economic development in Wales, it was not something MCC alone could crack. It was essential to work as part of a South East Area. The issue of the M4 and tunnels may create problems for people to move business into the area. The good news that Central Government were putting money into city deals was encouraging.

The Chair suggested that Regional Economic Planning, with a focus on city deals, be added to the forward Work Programme **(ACTION – HI)**.

The Head of Economy and Enterprise explained that in terms of Bristol, officers were working with a company based in Bristol in terms of construction and apprentices, and were encouraging them to use our apprentices on their construction program. There was regular contact with Chepstow Chamber in order to understand the needs. The digital sector had been identified as an area for growth. Contacts had been made for city discussions. It was hoped that the website would help expand, and raise awareness of Monmouthshire as a destination rather than a drive-through.

## MONMOUTHSHIRE COUNTY COUNCIL

### **Minutes of the meeting of Economy and Development Select Committee held at Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 26th November, 2015 at 10.00 am**

A question was raised regarding the situation with Superfast Broadband. We were informed that regular updates were being received. Officers were aware of the requirements for homeworking and were looking to create a biz hub in Chepstow to encourage people to work in a networked atmosphere. The Head of Commercial and People Development informed the Committee that he was a member of ICT Exploitation for Business Superfast Advisory Panel, which was made up of some of the key players in industry. It was the responsibility of the panel to make sure that infrastructure was being properly exploited. An update had stated that BT had gone through the 75% target and were working towards 95%.

With regards to unsuitable premises we were advised that meetings were being held with Mon Enterprises and Planning Department to establish what is on offer.

In response to a Members question regarding available areas for businesses to develop we were informed that officers were working closely with Planning, and businesses in order to solve any problems.

A Member queried if an officer from Welsh Government was still available to attend the Chamber of Commerce at Chepstow, and if there was an opportunity to work in tandem with them. We were informed by the Existing Business Manager that previously a member of Business Wales had attended the Chepstow Chamber to provide business support on behalf of Welsh Government. Officers worked closely with Business Wales to ensure businesses were aware of the full range of support available. Even though a representative no longer attended the organisation still continued to provide support. Members requested that attendance at Chamber of Commerce in Chepstow would be appreciated.

Members commented that in terms of usage a key area would be the website and questioned if the communications team would be used to increase the profile on social media. Clarification regarding percentage of premises with access to broadband was requested, and how far behind the 96% Welsh Government target were we in terms of the roll out.

The Head of Economy and Enterprise explained that officers would be reporting back quarterly on website analytics, going forward. We heard that officers were working with the Communications team. We were informed that there were some isolated premises and it was hoped the broadband pilot would help in that area. In terms of RDP and projects it was early days, and other local authorities and action groups were still developing their applications and expressions of interest but Monmouthshire's were on the website. We were hoping to put projects forward in the next couple of weeks and would appreciate Members promoting the programme in their areas.

In response to a concern regarding the empty properties in Monmouthshire and the worry of being left behind, it was explained that part of the role of the Existing Business Manager was to be aware premises available across the county and helping businesses to identify suitable premises. It was noted that every opportunity was being taken to draw the attention of businesses to available premises.

#### **Recommendations:**

The report recommended that Members receive the report in evidence of activities detailed in the Monmouthshire Business Growth and Enterprise Strategy Action Plan, as reflected in the Chief Officer's Annual report for Enterprise.

## MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Economy and Development Select Committee held at Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 26th November, 2015 at 10.00 am**

Committee Conclusion

Chairs Summary

The Chair expressed that the growing entrepreneurship programme was very encouraging and Members welcome a progress report.

The Chair summarised the key points discussed and highlighted recommendations as:

- i. A regional look at development in terms of city deals, and adding to the work programme.
- ii. Presentations held with Town and Community Councils on the RDP funding should be made available to all Town and Community Councils across the County.

We thanked officers and noted the report

### **5. Consideration of Community Infrastructure Levy Projects**

#### **Context:**

Members received a report to update on progress made in preparatory work for a Community Infrastructure Levy (CIL), particularly in relation to the identification of potential projects that might be eligible for funding from CIL.

#### **Key Issues:**

A progress report on CIL was presented to Economy and Development Select Committee on 15 October 2015. That report focused on the results of the consultation on a CIL Preliminary Draft Charging Schedule (PDCS) that took place for a period of 6 weeks from Thursday 12th February 2015 to Thursday 26th March 2015.

Since the report to the Select Committee on 15 October the viability work had been refined further and the charging schedule that was appended to that report has been amended slightly. The amended charges are incorporated in the document that is attached as Appendix C and would form the basis of the next formal stage in the CIL preparation process – the consultation on the Draft Charging Schedule (DCS).

Further work was needed to develop and update the infrastructure list and it was agreed at the 15 October meeting that this report would be brought to Select to advise members of the identification of potential projects that might be eligible for funding from CIL.

## MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Economy and Development Select Committee held at Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 26th November, 2015 at 10.00 am**

### **Member Scrutiny:**

The Chair clarified that the issue was demonstrating the need and that categories could be added at a later date following consultation. The Head of Planning advised that the Regulation 123 list agrees the high level categories where funding would be allocated, which would then need approval by Council.

Following a Members request for clarification, the Head of Planning confirmed that CIL would only apply to developments of three or more properties, not single housing. Members felt that this would be significant difference to Community Councils where developments may be one or two houses with an anticipation of extra money through CIL.

The strategic sites did not attract CIL but rather Section 106 money and it was questioned if we knew the amount of money to be expected from CIL. Officers explained that it was difference to be precise as it relied on planning permission being granted and floor area of market dwellings. Some estimated figures were provided as Crick Road in Portskewett £1.5million, Rothley Farm £1.9 million, Vinegar Hill £1.6 million. Schemes were more likely to come forward in the latter part of the plan period. The Head of Planning explained that Section 106 money could only be spent in the locality but CIL would go into a central pot, which would give more freedom.

We heard that self-build would be exempt, 90% of dwellings would fall into that category.

A concern was raised that there may be a case that separate planning applications may be made in order to save CIL money.

In terms of developments in small villages, the majority of the developments being proposed in the LDP were rural affordable housing sites which requires 60% affordable housing and there was a specific exemption against those sites for providing CIL.

Reference was made to the statement in the report that 132 line through the Abergavenny strategic site could be paid for by CIL but it was a concern that the LDP clearly states that to be a developer cost. Officers confirmed there was no intention for CIL money to subsidise development costs.

A Member raised a concern surrounding the broadband infrastructure and the need to use potential CIL money for development rather than Welsh Government funding.

A Member queried how CIL would fit with 21<sup>st</sup> Century School funding. The Head of Planning explained that CIL money would be used for top up funding and having education on the regulation 123 list would allow this to be used. It was noted that Members would need to approve the allocation.

The Chair questioned what the next steps were, and officers explained that the next stage would be to develop the final draft charging schedule for consultation, to be taken to planning, Cabinet and Council in February. Prior to that there would be an all

## MONMOUTHSHIRE COUNTY COUNCIL

### Minutes of the meeting of Economy and Development Select Committee held at Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 26th November, 2015 at 10.00 am

Members seminar on 28<sup>th</sup> January 2016. There was an opportunity to return to Select Committee to further explain the draft charging schedule in March or April 2016.

#### **Recommendations:**

The report recommended that Members note the contents of the report and comment accordingly.

Committee Conclusion

Chair's Summary

The Chair summarised the points discussed by Members and recommended that the Economy and Development Select Committee receive a further report following the consultation process, prior to the inspection.

#### **6. Scrutiny of the Budget Monitoring Report for Month 6**

##### **Context:**

Members received a report in order to provide Select Committee Members with information on the forecast revenue outturn position of the Authority at the end of reporting period 2 which represents month 6 financial information for the 2015/16 financial year.

##### **Member Scrutiny:**

Members were concerned with the further cuts to opening times in tourism, as the biggest income for the Authority. The Chief Officer for Enterprise agreed and was keen to assure Members that officers would do their level best as far as possible to keep services operating. It was hoped that the Trust Plus mandate would attract investment next year.

A Member expressed that it was important for members of the public to understand the position that the Authority is in. It was important to remain transparent and open with people.

A Member suggested that, with reference to Caldicot Castle, now may be the time to talk to the interested parties in regards to it moving to a local trust, who could then apply for different grants and improve the country park. There were concerns that as a liability it may sink a local group.

A Member warned against the focus on income generation rather than core services. It was noted that £125,000 of the loss was income generation not achieved by ICT software. It was felt that MCC should be seen as an enabling authority.

The Cabinet Member reminded the Committee that the Flow project had enabled the Council to make an annual saving of £130,000 licence fee for social services.

We heard that we were on track to make the anticipated savings with the Community Hubs.

## MONMOUTHSHIRE COUNTY COUNCIL

### **Minutes of the meeting of Economy and Development Select Committee held at Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 26th November, 2015 at 10.00 am**

The £20,000 income reduction from the 3g pitch had been attributed to difficulty with lighting and the marketing of two pitches. The issue had now been resolved.

#### **Recommendations:**

The report recommended that Members consider the position concerning the second period of revenue monitoring in 2015/16 (£1.066 million deficit) and seek a further report back to the next Cabinet outlining the Recovery Plans to be put in place to address the overspends in service areas.

Members were recommended to note the forecast use of earmarked reserves and, in order to ensure adequacy of reserves for the MTFP, approve the changes in practice.

Members were recommended to consider the position concerning period 2 Capital Monitoring with a revised budget of £60,496 million for the 2015/16 financial year.

Committee Conclusion

Chair's Summary

The Committee resolved to note and accept the report.

#### **7. To confirm the date and time of the next meeting**

We noted the date and time of the next meeting as Thursday 7<sup>th</sup> January 2016.

**The meeting ended at 11.40 am**