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MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Economy and Development Select Committee held at The Council Chamber, County Hall, Rhadyr, Usk NP15 1GA on Tuesday, 13th June, 2017 at 10.00 am

PRESENT: County Councillor P. Pavia (Chair)
County Councillor D. Blakebrough (Vice Chair)

County Councillors: J. Becker, A. Davies, D. Dovey, R. Roden and B. Strong

County Councillor V. Smith attended the meeting by invitation of the Chair.

OFFICERS IN ATTENDANCE:

Cath Fallon	Head of Economy and Enterprise
Ian Saunders	Head of Tourism, Leisure and Culture
Hannah Jones	Youth and Community Officer
Liz Williams	Senior Management Accountant
Philip Thomas	Development Services Manager
Hazel Ilett	Scrutiny Manager
Richard Williams	Democratic Services Officer

APOLOGIES:

County Councillor M. Feakins

1. To note the appointment of the Select Chair

We noted the appointment of County Councillor P. Pavia as Chair of the Economy and Development Select Committee.

2. Appointment of Vice-Chair

We appointed County Councillor D. Blakebrough as Vice-Chair of the Economy and Development Select Committee.

3. Declarations of Interest

County Councillor A. Davies declared a personal, non-prejudicial interest pursuant to the Members' Code of Conduct in respect of agenda item 9 – Revenue and Capital Monitoring 2016/17 Outturn Statement, as he is a governor at Castle Park Primary School, Caldicot.

County Councillor D. Dovey declared a personal, non-prejudicial interest pursuant to the Members' Code of Conduct in respect of agenda item 9 – Revenue and Capital Monitoring 2016/17 Outturn Statement, as he is a governor at Chepstow School.

County Councillor P. Pavia declared a personal, non-prejudicial interest pursuant to the Members' Code of Conduct in respect of agenda item 9 – Revenue and Capital Monitoring 2016/17 Outturn Statement, as he is a governor at St. Mary's R.C. Primary School, Caldicot.

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County Councillor B. Strong declared a personal, non-prejudicial interest pursuant to the Members' Code of Conduct in respect of agenda item 9 – Revenue and Capital Monitoring 2016/17 Outturn Statement, as he is a school governor.

4. Public Open Forum

There were no issues raised.

5. Confirmation of minutes

The minutes of the Economy and Development Select Committee meeting dated 6th April 2017 were confirmed and signed by the Chair.

6. Presentation for the Overview of Enterprise

The Select Committee received a presentation in which an overview of activities of the Enterprise Directorate were provided.

Member Scrutiny:

- High skilled manufacturing jobs – It has been recognised that the Directorate needs to do more to encourage high skilled manufacturing firms to set up in Monmouthshire. In the south east of the county, with the reduction in to Severn Bridge tolls, more enquiries are being received asking for more industrial accommodation in this part of the County. The Authority is currently aligning its investment strategy with the work being undertaken regarding the City Deal with a view to obtaining maximum impact from this.
- There are in the region of 4300 micro businesses located within the County which tend to employ fewer than 10 employees per business. Under current European structural funds criteria these businesses are unable to receive grants but with Brexit, European Structural Funds will dissipate and will hopefully be replaced with something more favourable to Monmouthshire.
- Broadband connectivity in Monmouthshire is an issue that requires addressing, which will also help small businesses.
- The Agri Urban action plan will be produced in September / October 2017 with a view to looking at ways of drawing in additional funds to key areas.
- 20% of the population use leisure facilities. There is a huge opportunity within Monmouthshire to incorporate and join together services with a view to keeping fit. Working with key partners is critical to provide appropriate leisure provision and encourage all citizens to take part in a diverse range of activities in a fun and relevant way to maintain and improve fitness.
- Businesses have used Hilston Park for corporate training events. The Authority needs to maximise its assets to further develop this type of opportunity.

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- In response to a question raised regarding new business development in South East Wales, it was noted that a specific study is being looked at regarding South East Monmouthshire, particularly in terms of specialist growth sector areas. Bespoke services are offered for companies that are looking to relocate to Monmouthshire and one to one support is what these companies often require. The Authority's inward investment strategy and the Cardiff Capital Region proposal will aid in the development of the County. The Authority has a specific website to promote the development of Monmouthshire www.monmouthshire.biz. In terms of skills, officers are working to influence opportunities. The development of youth enterprise and youth entrepreneurship is being taken seriously. However, all of this is being undertaken within capacity and budget to take forward the business development of the County. The Authority could have a bigger impact on business development with more resources in place.
- Regional and national frameworks exist where a number of meetings and catch up events are held throughout the year comprising of representatives from Welsh Government and partners. Therefore, there is a very good structure in place to remain updated. Internally, the Directorate has its Departmental Management Team meetings, as well as having its service plans. The Public Service Boards and the partnerships are generating good outcomes and results and are focussing on key areas. Regional networks have been established in respect of the City Deal and business support networks. The Rural Development Programme Team networks nationally with other teams across Wales. Cross border working on projects also occurs. With regard to micro businesses, a bespoke one to one service is provided.
- In response to a question raised regarding the Directorate's priorities, the following points were noted:
 - Broadband infrastructure and how this is being addressed.
 - Raising the County's Inward investment Profile.
 - Maximise funding streams.
 - Apprenticeships and training.
 - The strategic direction of Community Engagement and the Whole Place Plan.
- The volunteering rate in Monmouthshire is at 63% which is the highest in Wales.
- There is work to be done on how one measures a healthy community.
- In response to a question raised regarding opportunities missed due to budgetary constraints, it was noted that the Directorate would have liked to have been in a better position to promote Monmouthshire with the reduction in tolls for the Severn Bridges. However, now is the time to take this matter forward.
- In terms of the Great Western City's powerhouse, discussions have been ongoing for some time at a political and operational level. There are good opportunities for Monmouthshire to work across the border.

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- Science Technology Engineering and Maths (STEM) – The Directorate is aware of the opportunities. It helps that we have the lead in terms of the business innovation and digital networks in terms of the Cardiff Capital Region. The Directorate is working in these networks but the pathways for students are not as clear yet as they could be.
- In response to a question raised, it was noted that walking football is played in Caldicot which has been very successful. The aim is to promote this across the County.
- In response to a question raised regarding Chepstow TIC, it was noted that the TIC has a budget for this year to ensure that it will remain open for the year. Some grant funding has become available and product development has been ongoing. It will take partnership work and a change to the current model to create a more consistent, sustainable product.
- In response to a question raised, it was noted that BT has a 95% coverage target for broadband provision across the Superfast Cymru Programme. Welsh Government has just undertaken an open market review to enable them to find out where the hard to reach properties are and the results of this analysis is awaited. These results will then inform the Superfast Cymru 2 roll out programme which is likely to be fibre to the premises rather than fibre to the cabinets. However, it will likely take longer to roll out this programme but it will be a high speed service.
- In the interim the Directorate has been looking at innovative pilot schemes. The line of sight wireless pilot has had limited success as the signal has to have direct point to point sight in order to obtain a connection. Another innovation pilot scheme uses TV white space using analogue signals to transport the broadband. Initial results are very positive, as these signals will penetrate solid objects allowing for a better connection.
- In the meantime, the Authority is lobbying Welsh Government to address the lack of broadband provision and the need for Superfast Cymru 2 roll out to commence as quickly as possible within the County.
- An Update meeting involving Cabinet Members and officers with BT and Welsh Government will be held in early July 2017. An update report on progress will be presented to a future meeting of the Select Committee.
- A map providing the distribution of broadband provision across the County has been requested from BT.
- A report regarding the STEAM figures will be presented to the Select Committee for scrutiny in September / October 2017.
- In terms of business support and business rates, as far as the City Deal is concerned a regionalised strategy is being looked at for business support

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delivery but with a localised delivery function. City Deal is just one aspect. The Authority's networks are wide, working with innovation companies, as well as many other companies. The County is also promoted via social media.

- In response to a question raised regarding skills, what Coleg Gwent and Universities were doing to meet the employment needs of the future, it was noted that there was a need to be aware of the Donaldson Review and the implementation of this on Monmouthshire's schools. Also, there is a regional learning skills partnership and there has been research undertaken with colleges and universities regarding what the future need is. The Authority needs to ascertain how this will impact on Monmouthshire at a local level.
- The Scrutiny Manager informed the Committee that an email has been sent out to all Members regarding the Tourism Destination Management Plan reminding them that there was still an opportunity to contribute to this. The draft plan will be brought to the Select Committee meeting on 19th October 2017. The July 2017 meeting will receive a report for scrutiny regarding ICT provision in schools and STEM.
- With regard to the County Council's Local Development Plan (LDP) and the slow progress in bringing forward the LDP's allocated strategic housing sites (which means the Council, does not have a five year housing land supply). The plan is to be reviewed and it was anticipated that some of this shortfall will be covered under the review. However, it is likely that the Planning Department will receive planning applications on non-allocated sites that are not in the LDP, which will have to be determined on their merits pending the review of the LDP.

Committee's Conclusion

- That a list of topics discussed at today's meeting be produced with a view to discussing how to proceed with the development of a forward work programme.
- To scrutinise a report at the July 2017 Select Committee meeting regarding ICT provision in schools and STEM.
- An Update meeting involving Cabinet Members and officers with BT and Welsh Government will be held in early July 2017. An update report on progress will be presented to a future meeting of the Select Committee.

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7. Youth Enterprise - European Structural Fund (ESF) Programmes - INSPIRE2WORK Extension

Context:

Further to Cabinet approval for the implementation of the Inspire2Work (I2W) programme in March 2016, Youth Enterprise requests in principle support for additional match funding from Authority reserves. This funding will enable the enhanced delivery of the existing I2W programme which provides post 16 support, intervention and employment opportunities utilising European Structural Fund (ESF) monies.

Key Issues:

- The current I2W programme for 16-18 year olds was approved by Cabinet in March 2016 for three years at a total project cost of £381,601 split between 55% ESF of £171,720 and Monmouthshire County Council match funding in the sum of £209,881.
- Following the delayed final approval of the programme in February 2017, one of the project's original partners, Melin Homes, has withdrawn from the project. This provides an opportunity for the Authority to extend its current programme provision beyond 16-18 year olds to 16-24 year olds.
- Members have previously been made aware that Welsh Government has implemented the Youth Engagement and Progression Framework 2013, which provides a delivery model centred on the needs of young people identifying six key areas for achieving better outcomes for young people. The principles of the framework is embedded in the I2W programme and is designed to secure added value whilst reflecting the needs and aspirations of Monmouthshire's young people and the Authority's Single Integrated Plan.

Member Scrutiny:

- 16 – 18 year olds Not in Education, Employment or Training (NEET) currently number around 60 young people. However, young people can come in and out of this as they progress.
- For JSA, those young people aged 18 – 24 claimants, there are currently 40 young people.
- Data is continually being monitored as these are some of the most hardest to reach young people. Bespoke pages of support are required, i.e., a large or small intervention might be required, depending on the individual's needs.
- Discussions are being held with the lead authority, Newport City Council regarding target setting.

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- In response to a question regarding similar schemes that have been operated, it was noted that three contracts were run two years ago with Job Centre Plus and are keen to pick up on this work again liaising with local links and the Job Centre.
- Outcomes to evidence the success of the project – 33% Education, 22% into employment and 18% into educational training. Outcomes are being met.
- All avenues in terms of apprenticeships are being investigated with good links both locally and nationally. The aim is to tap into the local business market and we are well placed to build employability links. Discussions with schools are being held in the future.
- Young people's interests and past experiences are also looked at, as well as aiming to build confidence and unlock the potential in young people.
- As the service is bespoke, the team will meet individuals in their locality. Monmouthshire is a rural authority and therefore not always easy for young people to access services.
- The programme is gender balanced and gender targets have been set. This is a three year project and discussions have already been made with a view to identifying where future funding will come from. A meeting with Welsh Government later today will be held to discuss the employability agenda.

Committee's Conclusion

We resolved to support an Individual Cabinet Member Decision to release additional match funding for the next three years to January 2020, enabling support for an additional 120 participants across an extended 18-24 age range. The funding will enable the extension of the existing team to include an Employability Officer and administrative apprenticeship opportunity. The Employability Officer duties will be extended for other programmes across additional funding streams on a timesheet basis.

8. Revenue and Capital Monitoring 2016/17 Outturn Statement

Context:

To receive information on the revenue outturn position of the Authority at the end of period 4 which represents the financial outturn position for the 2016/17 financial year.

Recommendations proposed to Cabinet:

- That Members consider a net revenue outturn underspend of £884,000, an improvement of £805,000 on quarter 3 outturn predictions.

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- Members consider a capital outturn spend of £40.03 million against a revised budget of £40.98 million, after a proposed slippage of £17.5 million, resulting in a net underspend of £951,000.
- Consider and approve the £17.5 million capital slippage recommended, paying attention to those schemes described in para 3.3.6 of the report where slippage has been requested by the service manager but is not being recommended to slip (£198,000).
- Considers the use of reserves proposed in para 3.4.1 of the report.
- Supports the apportionment of general underspend in supplementing reserve levels as described below, i.e.:

Priority Investment Fund	£570,000
Redundancy & Pension Reserve	£114,000
IT Transformation Reserve	£100,000
Capital Receipts Generation Reserve	£100,000
Total	£884,000

- Members note that the low level of earmarked reserves will severely reduce the flexibility the Council has in meeting the challenges of scarce resources going forward.
- Members note the significant reduction in the overall school balance at the end of 2016/17 and support the continuing work with schools to ensure that the Council's Fairer Funding scheme requirements are met and that the overall schools balance remains positive in 2017/18.

Member Scrutiny:

- Earmarked reserves remain at limited levels having reduced from £17,536,000 in 2015/16 to an outturn prediction of £12,958,000 in 2017/18.
- 2016/17 Savings progress – It was identified that there was additional pressure on an already pressurised budget. It was noted that the Enterprise Directorate had made 79% of its scheduled savings. However, not all savings were achieved in year and it was noted that the savings are carried over into the next year, creating additional pressure on budgets.
- In response to a question raised regarding local authority borrowing, it was noted that the authority would not be able to borrow more money than it was allowed to do. Current interest rates on borrowing were very low.
- Six schools have exhibited a deficit position at the start of 2016/17. Throughout the year this was anticipated to rise to 12 by the end of 2016/17. Information regarding the management position in respect of this matter in the longer term

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will be investigated by the Finance Manager and will be reported back to the Committee.

Committee's Conclusion

- To support the recommendations proposed to Cabinet.

9. List of actions arising from the previous meeting

We noted the list of actions arising from the previous meeting.

10. Economy and Development Select Committee Forward Work Programme / Council and Cabinet Business Forward Plan

The Scrutiny Manager informed the Committee that the Select Committee's forward work plan and the Council and Cabinet Business Plan required developing.

In view of the discussions undertaken at today's meeting, the Committee agreed that the Scrutiny Manager and the Democratic Services Officer should draft a list of the subjects raised with a view to scheduling a discussion on the work programme at the next Select Committee meeting in order to prioritise the topics that the Committee would like to focus on.

In terms of the next meeting, Members were asked to consider the following items:

- There has been a request for a report to be presented to the Committee regarding ICT provision in schools.
- Return on Investment report for the velothon, if the report is available.

For later in the year at the Select Committee meeting on 19th October 2017, the following items will be presented to the Committee:

- STEAM data.
- Tourism Destination Management Model.

We resolved to receive the update and noted its content.

11. Timing of future Economy and Development Select Committee meetings

We resolved that future Economy and Development Select Committee Meetings would be held at 10.00am.

The meeting ended at 12.25 pm.

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