

Lancashire County Council

Scrutiny Committee

**Minutes of the Meeting held on Friday, 8th June, 2012 at 10.30 am in
Cabinet Room 'B' - County Hall, Preston**

Present:

County Councillor Peter Britcliffe (Chair)

County Councillors

P Malpas	J Jackson
T Aldridge	A Knox
Mrs F Craig-Wilson	D O'Toole
K Ellard	Mrs L Oades
M Devaney	V Taylor
Mrs J Hanson	D Westley

County Councillor T Aldridge replaced County Councillor C Crompton for this meeting only.

County Councillor J Jackson replaced County Councillor J Shedwick for this meeting only.

County Councillor A Knox replaced County Councillor B Winlow for this meeting only.

1. Cabinet Member Attendance

In accordance with the Code of Conduct, the permission of the Committee was sought to allow County Councillor Michael Green, Cabinet Member for Economic Development, Environment and Planning, to attend and speak at the meeting.

Resolved: That County Councillor Michael Green, Cabinet Member for Economic Development, Environment and Planning, be permitted to attend and speak at the meeting.

2. Constitution: Chair and Deputy Chair; Membership; Terms of Reference of the Scrutiny Committee

Resolved: That;

- i. The appointment of County Councillor P Britcliffe and County Councillor P Malpas as Chair and Deputy Chair of the Committee for the remainder of the 2012/13 municipal year be noted;
- ii. The membership of the Committee following the County Council's annual meeting be noted; and
- iii. The Terms of Reference of the Committee be noted.

3. Disclosure of Personal and Prejudicial Interests

County Councillors T Aldridge and D Westley declared personal interests in item 5 – Economic Development as they were Members of West Lancashire Borough Council's Planning Committee.

4. Minutes of the Meeting held on 11 May 2012

Resolved: That, the minutes of the meeting held on 11 May 2012 be confirmed and signed by the Chair.

5. Economic Development

The Chair welcomed County Councillor Michael Green, Cabinet Member for Economic Development, Environment and Planning, County Councillor Michael Welsh, Chair of Lancashire County Developments Limited (LCDL), and Martin Kelly, Director of Economic Development, to the meeting.

County Councillor Green gave an update to the Committee on recent economic development activities. It was reported that the council had placed £12m into the Capital Programme for economic development initiatives. The council had also approved a further £10m towards infrastructure projects that would improve the long-term performance of the local economy such as the Superfast Broadband (SFBB) initiative. It was reported that SFBB would provide Lancashire with a competitive advantage, stimulate business growth and attract new investors. A further £10m had also been approved by the council towards increasing the number of apprenticeships, skills and employment opportunities for the residents of Lancashire.

The Committee was informed that the council was using surplus property in a strategic manner to support the regeneration of Lancashire through its Strategic Property Regeneration initiative.

Early successes with the Lancashire Enterprise Partnership (LEP) were highlighted including the Lancashire Enterprise Zone status for BAE Systems' Salmesbury and Warton sites and the development of the Growing Places Fund (GPF). It was anticipated that an estimated 80 businesses could be attracted to the zones creating between 4,000 and 6,000 high value jobs. It was also anticipated that the GPF would generate a further 3,000 new jobs through public and private sector investment. It was also reported that the LEP had been successful in bidding for monies from the Government's Regional Growth Fund to support projects and programmes that would create economic growth and sustainable employment.

The Committee was informed that a skills implementation plan as part of the council's skills framework had been developed which included targets to increase the percentage of qualifications at level 2 (GCSE) and level 4 (Certificates of Higher Education) of the working age population. The Committee was also informed that the Cabinet at its meeting on 7 June had agreed to invest £10m

between 2012 and 2017 to fund a five year programme to promote sustainable employment for young people including those identified as Not in Education, Employment or Training (NEET) and those who were Lancashire's Looked After Children through a number of initiatives.

Councillor Welsh gave an account of progress made on matters relating to Lancashire County Developments Limited (LCDL) since December 2011.

Councillor Welsh thanked those staff currently involved in the redevelopment of the Lancashire Business Park which was severely damaged by fire before Christmas 2011. It was explained that this matter was a key priority for the coming year and that it was hoped some positive aspects could be achieved from the redevelopment.

The Committee was informed that the restructure of LCDL was now complete and that work was underway to deliver a number of priority actions and key strategic developments including; Cuerden, Preston City Centre, Skelmersdale Town Centre, Rising Bridge, Heysham Gateway and Lancaster Science Park.

Concern was expressed regarding a possible hit on property valuations in view of the decline in the property market and how this might affect LCDL. However, it was noted that LCDL was not in a position to sell any of its portfolio and that if such an occasion was to arise the financial reserves would be more than adequate to cover any possible shortfall.

It was reported that LCDL had updated its investment strategy for the Rosebud Fund so that it could invest more specifically in those areas which matched their priorities as identified in their business plan. Councillor Welsh was pleased to announce that the first investment under the new arrangements had recently been agreed by the Board (LCDL) regarding pioneering software created at Lancaster University for checking content placed on the internet.

Finally, it was reported that LCDL had a keen interest in the energy market for which they believed could have a beneficial economic impact on the County.

Councillors were invited to ask questions and raise any comments in relation to the report, a summary of which is provided below:

- Councillors were pleased with the progress that had been made since December 2011. In particular progress in relation to the Regional Growth Fund, Enterprise Zones, SFBB, growing places fund and on apprenticeships.
- It was welcomed that LCDL were considering investing in the energy market. However, assurance was sought on the regulation of fracking. The Committee was informed that if permission for fracking was approved, a number of regulators would be involved including the County Council, the Environment Agency and the Health and Safety Executive.
- On the growing places fund, a question was asked regarding the three priority categories seeking further explanation of how schemes across

priorities 2 and 3 could be interchanged and whether a timescale had been set on those schemes in priorities 2 and 3. It was explained that the priorities were guidelines and not exclusive and that a number of projects had been identified at various stages of development for consideration across all three priorities.

- Reassurance was sought regarding the roll-out of SFBB across Lancashire by the end of 2014 and whether this timescale would be achieved. The Committee was informed that there would be a 97% coverage of Lancashire over the next three years.
- The Chair suggested that a further report on apprenticeships be brought to the Committee in February 2013.
- On the key business sector for 'creative and digital industries' one councillor suggested that there could be great potential for growth in Lancashire's economy through the Arts. The Committee was reminded that the report of the Arts Funding task group was due in July. A question was asked on whether LCDL could take forward some of the recommendations of the impending task group report for development. The Committee was informed that whilst LCDL were considering projects from the creative and digital industry, it was felt that the cultural aspect of the Arts would not fit into the remit of LCDLs goal - to increase Lancashire's GVA (Gross Value Added) at a faster rate than comparable areas. Councillor Green stated that he looked forward to receiving the task group's report.

Resolved: That;

- i. The report be noted;
- ii. The Cabinet Member for Economic Development, Environment and Planning, the Chair of LCDL and their teams be complimented on the work that had taken place in Lancashire;
- iii. The early successes of the Lancashire-wide Economic Development Partnership was welcomed;
- iv. Progress with the roll-out of Superfast Broadband be noted, particularly welcoming the benefits it would bring to rural areas;
- v. An update report on the county council's apprenticeship scheme be presented to the Committee in February 2013.

6. Task Group Updates

The Committee received a request from the Health Scrutiny Committee to establish a new task group on the issue of Public Health.

The Committee was informed that by 2013, the county council would take on a number of new responsibilities for the health improvement function of Public Health for Lancashire as defined in the NHS White Paper – 'Equity and Excellence: Liberating the NHS' and the Public Health White Paper – 'Healthy Lives Healthy People'. It was hoped that the establishment of a task group would clarify the role of elected members in understanding and the promotion of the public health function. However, a point was made that this matter had already

been the subject of deliberations by other Committees and bodies and it was felt that the establishment of the task group should therefore be rejected. It was also suggested that a training exercise on this matter would be more beneficial to members. Following a period of debate, the request for a task group was put to the vote and was subsequently lost.

The Committee also received an update on current task groups and their proposed completion dates.

Resolved: That;

- i. The update on existing task groups be noted;
- ii. The request for a new task group on Public Health be not accepted.

7. Recent and Forthcoming Decisions

The committee considered recent relevant decisions made and also forthcoming decisions including those set out in the current Forward Plan.

Resolved: That the report be noted.

8. Workplan 2012/13

The workplan for the committee was presented for noting and comments. The Chair gave an outline of the work to be carried out by the Committee over the coming months including the additional work agreed earlier in the meeting.

Resolved: That the report be noted.

9. Date of Next Meeting

The Chair sought approval from the Committee that all future meetings begin at 10:30am instead of 10am.

Resolved: That,

- i. All future meetings of the Scrutiny Committee shall begin at 10:30am;
- ii. The next meeting of the Committee will be held on 6 July 2012 at 10:30am at County Hall, Preston.

I M Fisher
County Secretary and Solicitor

County Hall
Preston