



Economic Growth Overview and Scrutiny Committee

Minutes of the meeting held at County Hall, Colliton Park,
Dorchester, Dorset, DT1 1XJ on Monday, 27 March 2017

Present:

Daryl Turner (Chairman)
Richard Biggs, Ronald Coatsworth, Paul Kimber and Margaret Phipps

Members Attending

Robert Gould, Leader of the Council, Peter Finney – Deputy Leader and Cabinet member for Environment, Infrastructure and Highways and Rebecca Knox - Cabinet member for Children's Safeguarding and Health and Wellbeing.

Officer Attending: Mike Harries (Director for Environment and the Economy), Matthew Piles (Service Director – Economy), Mark Taylor (Group Manager – Governance and Assurance) and David Walsh (Economy and Enterprise Team Leader) and David Northover (Senior Democratic Services Manager).

Note: These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the Committee on **Thursday, 29 June 2017.**)

Apologies

11 Apologies from absence were received from Councillors Hilary Cox, Andy Canning, Mervyn Jeffery, Mike Lovell and William Trite.

Code of Conduct

12 There were no declarations by members of disclosable pecuniary interest under the Code of Conduct.

Minutes

13 The minutes of the meeting held on 25 January 2017 were confirmed and signed.

Public Participation

14 There were no public questions, statements or requests to speak received.

Chairman's Update and Announcements

15 The Chairman took the opportunity to confirm that under 'Matters Arising' from the minutes of the meeting on 25 January 2017:-

- Minute 5 - a letter had been sent by the Chairman of the County Farms Liaison Panel to Defra requesting consideration of better broadband provision for rural communities.
- Minute 6 – a letter had been sent by the Leader to Lord Ahmed of Wimbledon, Parliamentary Under Secretary of State for Transport endorsing the basis of the motion asking that Clause 21 be removed from the Bus Bill. Whilst the House of Lords had recommended removal of this clause, on being considered again by Government, it was intended that this clause should be retained. This was confirmed in a response by Andrew Jones MP, Secretary of State for Transport. Given this, the Committee

agreed that the County Council's position should be reaffirmed.

The Chairman took the opportunity to welcome Councillor Paul Kimber to the Committee and to thank Mike Byatt for the contribution he had made to the work of the Committee during his time as a member and a member Champion for Economic Growth.

The Chairman took the opportunity to draw the Committee's attention to the outcomes based reporting process which was used at the Dorset Council's Partnership and commended it for use as best practice at the County Council.

Progress being made with a parking policy to serve Dorset's Councils on street and off street needs was drawn to the attention of the Committee. It was intended that, post county elections, membership for a Policy Development Panel to help progress this further would be canvassed in order to assess how any new parking policy might be managed and applied.

Building our Industrial Strategy - Developing our response to Government's Green Paper

16 The Committee considered a report by the Service Director – Economy which provided information on what was being done by the County Council in respect of the Government's "Building our Industrial Strategy" initiative in order to develop both a collective response - between the County Council and its public sector partners, and also a response in the Council's own right - to the Government's Green Paper on the Industrial Strategy. How the consultation process was being undertaken was explained and what opportunity there was to demonstrate the part the County Council was playing in this. Officers considered that there was a genuine opportunity to influence and inform government on how this might be applied nationally, as well as in Dorset, and that this chance should be taken.

Officers explained that the Strategy was designed to address the long-term challenges to the United Kingdom's economy and its objective was to improve living standards through economic growth by increasing productivity and driving growth to increase prosperity across the UK. The part productivity; the workforce; skills and education; housing; infrastructure and the environment played in all this, and the relationship between each, was explained.

Accordingly it was being proposed that both a collective Dorset response to the Green Paper, representing the nine Councils and the Dorset Local Enterprise Partnership (LEP), should be prepared and submitted to meet the consultation deadline of 17 April 2017. In addition the County Council should make representations in its own right to endorse this collective view and highlight elements of particular significance to achieving its own particular corporate objectives. The Committee were reminded of the part the Dorset LEP played in influencing economic growth following their previous meeting which focussed on the LEP, particularly the bidding process for schemes, how funding was allocated and the relationship between local authorities and the Dorset LEP. The success in achieving the Dorset Innovation Park - for enterprise - at Winfrith Newburgh and what benefits this brought was welcomed.

Officers explained what the Industrial Strategy entailed and the County Council's approach to it, including the opportunities and challenges it posed and what means there was for Dorset to benefit from it. The Committee was informed that the Industrial Strategy was based upon three challenges, to:-

- build on our strengths and extend excellence into the future;
- close the gap between the UK's most productive companies, industries, places and people and the rest, and

- make the UK one of the most competitive places in the world to start or grow a business.

Within the Industrial Strategy, 10 pillars had been identified in driving growth, with these being identified in Appendix 1 to the Service Director's report, and being aligned with the objectives and priority actions from the County Council's own Enabling Economic Growth Strategy. The principle of the Economic Growth Strategy and the benefit this would bring was explained and members recognised the importance of this and that its principles should align with the Industrial Strategy.

How this relationship might realise the optimum benefits for Dorset was what the Committee were being asked to determine and members were encouraged to give some thought as to what they considered should be taken into account, by both the County Council and the Dorset LEP, in order that the undoubted potential which Dorset had might be fulfilled.

Under the 10 pillars the Green Paper listed, there were a range of existing, and some new, initiatives and funding streams, as well as identifying some areas where further work was being undertaken to shape an appropriate approach, including inward investment.

Whilst the County Council and its partners were committed to the principles of all 10 pillars as a means of delivering economic gains, the Economic Development Officer's Group and the Prosperity and Places Group had identified 4 of these specifically important to Dorset:-

- science, research and innovation,
- skills development (with an emphasis upon technical education),
- digital/Superfast Broadband, transportation and energy infrastructure, and
- cultivating world leading sectors.

which was considered to be to the best advantage of Dorset. Driving growth across the whole country was one of the ten pillars of the Strategy, and this recognised the challenges faced by towns and rural areas to increase productivity and pay. However, much of the investment and initiatives identified related to cities, the Northern Powerhouse and the Midlands Engine. To complement those other two areas of recognition, a suggestion had been made that the south should be identified as the "**Southern Accelerator**", in providing the means by which economic stimulus could be generated and the direction in which the economy was to be steered.

The Director considered that the County's "Enabling Economic Growth" initiative together with the publication of the Green Paper was an opportunity to influence and shape the way in which any Strategy could be applied, how policy could be developed and as a means of informing the Government of the growth potential and challenges that Dorset had; what was in its best interests; and what it had to offer.

Given that one of the County Council's Corporate objectives was to improve prosperity by enabling economic growth, it was seen that Dorset's economic diversity had stood it in good stead during the economic downturn experienced since 2008. The County had demonstrated greater resilience and sustainability than many other parts of the country which were often dependent upon singular, large industries which were vulnerable to the vagaries of the economy. Dorset's ability to adapt and evolve its economy to meet the challenges presented and to suit particular needs was seen to be a major advantage in maintaining its vitality. Officers considered that this ability to adapt should not be underestimated.

The Committee's attention was then drawn to what the Council's Enabling Economic

Growth Strategy entailed and how this was seen to complement the principles of the Industrial Strategy. Major sectors of the Dorset economy were identified as being:-

- advanced engineering and manufacturing;
- creative industries/ digital
- health and social care
- construction
- environmental goods and service – including energy/power
- food and drink
- business, professional and retail services
- land based industries – agriculture/agri-tech, fisheries, minerals and mining
- tourism and leisure; and
- public sector.

Consideration was given as to why productivity varied across the country and what could be done to improve the productivity of Dorset and the reasons for why it was lower than in some other areas. Officers considered that the means by which productivity could be enhanced would not necessarily be by some sudden step change based on one business or sector, but by significant numbers of smaller, artisan businesses and cottage industries growing gradually and sustainably, with growth being incremental over time.

The importance of 'Place' – the whereabouts of where services could be accessed the most effectively and efficiently to meet need - and how it fitted with the principles of economic growth was acknowledged by the Committee in that it was seen to be a practical, pragmatic and logical solution.

The Committee considered that the means by which the County Council was proposing to progress this matter, and what they were taking into consideration in doing so, should be endorsed as it provided the best opportunity for the Industrial Strategy to be fulfilled in a way in which Dorset's interests would be best served.

The wealth and breadth of economic sectors across Dorset provided it with a dynamism that contributed towards making Dorset the prosperous county it was. From the high tech, advanced engineering and professional sectors to the rural economy of farming and agriculture – including AgriTech - all had a valuable, and valued, part to play in what Dorset was able to manufacture and produce for local, national and international markets.

The Committee acknowledged that whilst sophisticated technological business played a critical part in how economic growth might be achieved, there was a need to recognise the importance of what part other more traditional sectors played in this across the rural county - with the likes of tourism, agriculture, fishing, mineral extraction and quarrying, and oil exploration and production all playing their significant part in benefitting the economy. The viability of these would ensure that rural development was maintained and that there was investment made to benefit the rural sector alongside other sectors of the economy.

As part of the member engagement process, the following points were raised and considered:-

- how the benefits of Portland Port could be best promoted, in a similar way to those of Poole Port. It was anticipated that this would be the case within the limitations of the Revision Order in place and what this entailed.
- the importance of digital infrastructure and its availability in the process in order to access opportunities was seen to be essential in economic growth being successful. Every effort was being made to facilitate the provision of

Superfast Broadband throughout the County, which was demonstrated by the County Council's continued commitment towards this. It was acknowledged that universal provision of Superfast Broadband was critical to the future economic prosperity of Dorset alongside better mobile telecommunications, as detailed at the Committee's previous meeting.

- clarification was provided on what contribution was being made to the collective response, and by whom, with input to this from both the Places and Prosperity Group and the Economic Development Officers Group, both of whom included County, District and Borough Councils representation
- understanding of the relationship between the Western Dorset Growth Strategy and government investment in infrastructure and how this was seen to bring about growth and the importance of the future development of proposals for north/ south infrastructure linkages.
- consideration given to how and where new universities might be established, given the prominence in Dorset of earth sciences and of the World Heritage Site.
- an appreciation that a “**Southern Accelerator**” was a brand which could be built upon and invested in as an identity, its formal recognition bringing with it the means by which funding and investment could be attracted. Dorset was geographically strategically placed to play a part shaping the economic growth of both the south west and the south east as necessary, and where and when appropriate. This positioning brought benefits, in that Dorset was not necessarily tied to the limitations of what one region had to offer. Conversely though it was at risk of being excluded from the benefits of inclusiveness within one region. On balance, it was felt that having the flexibility to suit our needs, as and when appropriate, was advantageous.
- concern was expressed at what seemingly was a preference, at national level, for what the south east conurbation had to offer over what the rest of rural Dorset had. This was seen in funding allocation for investment, with health, housing and infrastructure seemingly seen to benefit from this. The Committee asked for some assurance that the rest of the county would be looked on equally favourably when future allocations for funding and investment were applied so that they were given similar opportunities for prosperity. Whilst recognising this point, officers anticipated that this position would be acknowledged as there was an awareness by government that there should be scope for investment opportunities to be made more consistently and proportionately. However it was hoped that members might appreciate that any investment, wherever made within Dorset, should be seen as being beneficial for all. For Dorset to be successful it was in the interests of all to unite behind what it had to offer in a global context , not simply a local one, and what it was able to achieve.
- how local industrial estates could be best optimised was considered to be of importance, with a mixture needed of both local and inward investment in these. It was felt that the key obstacle to inward investment was the unsatisfactory infrastructure that currently existed, particularly north/south, and that this needed to be improved before any meaningful, sustainable inward investment would be made. Officers anticipated that the Western Growth Strategy would go a considerable way to addressing this, subject to funding.
- how best to improve energy efficiency and reduce energy consumption was discussed, with the means of energy generation through alternative means being considered wherever possible and practicable. Development of a loan fund might well assist in this being realised, with funding available for energy efficiency via European Funding.
- AgriTech was seen to be an exemplar of how technology met traditional farming practices and the investment being made in this at Kingston Maurward Agriculture College was welcomed. How local produce could benefit from access to local, national and worldwide markets was mentioned with

provenance and food quality being seen to be of importance to today's consumer.

- the national and international importance was being given to the quarrying and mining operations on Portland and the investment being made by the stone firms in that industry and its workforce was recognised by members.

It was understood that Dorset needed to be competitive in order to be successful and having the means to do this was essential. Also critical was the part that the County Council could play in helping to influence and facilitate. The Committee were keen to see that commercial investment fulfilled its potential and how the County Council was able to facilitate economic growth for the private sector was instrumental in this.

The strength in diversity was a considerable benefit to Dorset's economy which allowed it to be resilient to external economic influences whilst collectively contributing towards the economic growth of the county. Such economic growth provided the means to improve living standards, productivity and levels of pay so that it was in the interests of all to ensure that this succeeded.

There was an acknowledgment that businesses needed to be encouraged to locate to Dorset for prosperity to be achieved. Given the various means by which the County Council could play its part in facilitating economic growth across the County, there were significant opportunities for Dorset to achieve its aim of stimulating a more prosperous economy. Given this, the Committee considered that the approach being taken was the one which would meet with greatest success and deliver the greatest benefits and, on that basis, agreed that the report's recommendations should be endorsed and that the points raised during the meeting be taken into consideration in any response being made.

Resolved

1. That the development of a collective Dorset response to the consultation on behalf of the nine Dorset Councils and the Local Enterprise Partnership, co-ordinated by the Places & Prosperity Group be supported and agreed.
2. That the view of the Dorset Leaders Growth Board of the priority pillars for the growth of the Dorset economy – as set out in paragraph 3.5 of the Service Director's report - be endorsed, and,
3. That the views of Committee in respect of the Green Paper and the County Council's own Enabling Economic Growth Strategy - as set out in the minute above - provide a steer for the completion of a County Council response to the consultation, taking into account the points raised in section 3 of the report.

Reason for decision

The development and delivery of a national Industrial Strategy will have significant implications for the Council's capacity and ability to deliver on its corporate objectives, particularly around prosperity.

Policy Development Panel on HGV Management - Outcomes and Recommendations

- 17 The Committee was asked to receive the minutes of the Policy Development Panel on HGV Management held on 27 January 2017, to note the outcomes and endorse the recommendations for how it was proposed to manage HGV movements in Dorset, with a special focus on Ferndown .

Associated with this was a Freight Action Plan which had been developed to assist in how any strategy could be applied in practice and the Committee were being asked to endorse this too, for implementation.

The practicalities of implementing this were discussed and how it would be funded. Officers explained that there was provision in the Local Transport Plan for this to be taken into consideration and progressed. The role of rail freight in the transportation of

goods would also be taken into account as necessary. It was felt that when the Combined Authority was established, this would help in progressing matters and a coordinated approach was in the interests of all local authorities across Dorset.

The Committee considered that the work done by the Panel to be very valuable in helping to shape the way in which HGV traffic could be managed across Dorset in the future, and in particularly helping the situation around Ferndown, and accepted the recommendations made by the Panel.

Resolved

1. That the Freight Action Plan - attached to the report - as agreed by the Freight Quality Partnership and the Policy Development Panel be endorsed – so that it might be applied and implemented, as necessary.
2. That the bullet points set out in minutes 19 of the meeting of the Policy Development Panel on HGV Management held on 27 January 2017, be taken into consideration and progressed, as necessary and where practicable.
3. To review the Local Transport Plan and update the Committee on the Freight Strategy progress by adding this to the Work Programme.

Reason for Recommendation

To do what is practicable to improve how HGV's are managed across Dorset, with particular attention being paid to improving the situation for Ferndown and its environs.

Work Programme

- 18 To Committee considered its Work Programme for 2017 including the addition to the Programme for June 2017 in giving consideration to how the **Skills and Training** agenda could be applied to best effect and what needed to be done to improve the prospects of this.

In addition to this, members asked that Cooperatives, Renewable Energy and Carbon Emissions and the Parking Policy - together with a review of the Local Transport Plan, incorporating the Freight Strategy - all be added to the Work Programme for future consideration.

Resolved

That the Work Programme be updated accordingly.

Reason for Decision

To ensure the work of the Committee remained valid, relevant and purposeful.

Questions from County Councillors

- 19 No questions were asked by members under Standing Order 20(2).

Meeting Duration: 10.00 am - 12.00 pm