

ECONOMIC GROWTH SCRUTINY PANEL

THURSDAY 21 JANUARY 2021 AT 4.00pm

PRESENT: Councillor Brown (Chair), Councillors Mrs Atkinson, Bomford (until 6:09pm, as substitute for Councillor Paton), Denholm, Mrs Glendinning, Meller, Mitchelson and Mrs McKerrell.

ALSO

PRESENT: Councillor J Mallinson – Leader
Councillor Ellis – Finance, Governance and Resources Portfolio Holder
Councillor Mrs Mallinson – Communities, Health and Wellbeing Portfolio Holder
Councillor Nedved – Economy, Enterprise and Housing Portfolio Holder
Councillor Christian – Environment and Transport Portfolio Holder

OFFICERS: Corporate Director of Economic Development
Policy and Communications Manager
Regeneration Manager
Regeneration Officer
Overview and Scrutiny Officer

EGSP.01/21 APOLOGIES FOR ABSENCE

An apology for absence was submitted on behalf of Councillor Paton.

EGSP.02/21 DECLARATIONS OF INTEREST

There were no declarations of interest submitted.

EGSP.03/21 PUBLIC AND PRESS

It was agreed that the items of business in Part A be dealt with in public and Part B be dealt with in private.

EGSP.04/21 MINUTES OF PREVIOUS MEETINGS

RESOLVED – It was noted that Council, at its meeting on 5 January 2021, received and adopted the minutes of the meetings held on 1 October and 26 November 2020.

EGSP.05/21 CALL IN OF DECISIONS

There were no items which had been the subject of call-in.

EGSP.06/21 LOCAL ENVIRONMENT (CLIMATE CHANGE) STRATEGY

The Corporate Director of Economic Development submitted report PC.03/21 which provided an update on the progress of the adoption of the Local Environment (Climate Change) Strategy and also contained the Amended Local Environment (Climate Change) Strategy and the Draft Action Plan.

In considering the report, Members raised the following questions and comments:

- How had the proposed targets for waste and recycling been arrived at?

The Policy and Communications Manager explained that there was a sector group in relation to waste which sought to develop a county wide approach and that the targets were in line with

those of the county wide strategy. Officers were engaging in a Task and Finish Group on carbon budget implications and it was likely that as further data and evidence was amassed the targets would be amended in the future.

The Member noted that another factor which may affect the waste and recycling targets was behaviour change related to the reduced uses of plastics in products.

The Policy and Communications Manager agreed that behaviour change may also impact targets in the future. The current targets were built on the hierarchy of waste reduction and also considered energy recovery as set out in the Draft Action Plan.

The Panel discussed the current processes for the selling of recyclates.

- Why was the date for the City Council to become net zero by listed as 203X?

The Policy and Communications Manager responded that initially the Council had considered setting the target for becoming carbon net zero by 2030. However, the Zero Carbon Cumbria Partnership (ZCCP) had adopted a target date of 2037 for the county. Were the Council to adopt the target of 2037, it would not delay Officers from undertaking work in relation to becoming carbon zero, a 2030 target date would be a greater challenge to meet given the scale of change the organisation needed to undergo to become carbon net zero. The issue would be decided by Council when the final Strategy was submitted for adoption.

The Finance, Governance and Resources Portfolio Holder advised that setting an earlier target date for the Council to become carbon net zero would increase the cost to the authority of making that transition. He noted that the government's national target for becoming carbon net zero was 2050, based on the Paris Agreement and underpinned by the Intergovernmental Panel on Climate Change (IPCC): 2050 had been selected as the timeframe as that considered to be realistically deliverable. Any increased costs would have to be met from within the Council's existing resources and therefore would require use of reserves, increases to Council Tax or reduction of spending on existing services.

In addition to the cost implications of adopting an earlier target date there were constraints in relation to technology. The Council's fleet generated 50% of the organisation's carbon output, in terms of future procurement, the Finance, Governance and Resources Portfolio Holder noted that electric vehicles were available for smaller fleet items, but currently that technology was not available for larger plant vehicles used by the Council.

A Member commented that achieving carbon net zero by 2037 would be a significant improvement on 2050.

The Policy and Communications Manager advised that the reduction of carbon would be managed by a carbon account model which included both production and consumption, as set out in the Draft Action Plan.

The Member asked if the 2037 target date was adopted, whether rates would need to be increased.

The Corporate Director advised that was a likely scenario. The Policy and Communications Manager added that some of the scenarios set out in the Cumbria Baseline report would require large scale county wide investment.

- Was it usual practice for business cases to be submitted for projects?

The Corporate Director confirmed that it was standard practice for business cases to be submitted for Council projects, both for consideration within the organisation and as part of bids to external organisations for.

- What was the most significant risk in relation to the Strategy?

The Policy and Communications Manager noted that a number of risks were broadly identified within the report to assist with the risk assurance of the Strategy and Action Plan. He considered the principal risk was for the Strategy not to be adopted as it would negatively impact funding bids to external organisations, as bids were generally underpinned by a strategy or policy.

- Would performance monitoring of the strategy commence when it was implemented?

The Policy and Communications Manager advised that a performance framework had been drafted alongside metrics to measure the authority's carbon footprint. It was expected that performance against the Action Plan would be reported via the regular performance reports on an annual basis. However, the Health and Wellbeing Scrutiny Panel in its consideration of the matter had requested that performance against the Action Plan be reported to it on a 6 monthly rather than annual basis.

The Panel indicated that it wished to receive performance information on a 6 monthly basis.

- With reference to the Actions for the next six months (December 2020 to May 2021) table contained in the report, a Member noted that items in the finance column were described as None / None required, she sought clarification on those terms.

The Policy and Communications Manager undertook to provide a written response to the Panel.

- A Member noted that the ZCCP would undertake business engagement, he felt in order for the Council to deliver its targets it would need the support of local businesses, and therefore the Council should liaise with local companies and communities.

The Corporate Director welcomed the suggestions and noted that as part of the Communication and Engagement Strategy, Officers would consider ways of working with and supporting local businesses.

The Communities, Health and Wellbeing Portfolio Holder added that businesses were looking to the Council to adopt the Strategy so that its direction was clear. The Strategy was not restricted to the reduction of carbon but encompassed the Council's ways of working across the board. The Strategy was a living document and as such it would be amended as needed to reflect new data and evidence.

The Environment and Transport Portfolio Holder was confident that, were the Strategy to be adopted, the Council would be able to move forward quickly with the activities identified in the Action Plan and Strategy. He felt it was important to capitalise on the public's enthusiasm to address climate change, it was equally important that concerns relating to financial matters were listened to and dealt with appropriately.

RESOLVED – 1) That report PC.03/21 Local Environment (Climate Change) Strategy be received.

2) That future performance reports be submitted to the Panel on a six monthly cycle.

3) That the Policy and Communications Manager provide further information on the finances in respect of the six month action plan.

EGSP.07/21 CARLISLE ECONOMIC STRATEGY

The Corporate Director of Economic Development submitted report ED.04/21 which provided an overview of the emerging Economic Strategy for Carlisle District, developed following a virtual meeting with the Panel on 30 November 2020. The Strategy sat within a suite of documents including the Borderlands Inclusive Growth Deal, The Cumbria Industrial Strategy and the Towns Deal Plan. It took into account the impact of the Covid 19 pandemic and was a prerequisite for submitting bids to the Shared Prosperity Fund.

In considering the report, Members raised the following questions and comments:

- Was there any action the Council could take to address the issue of the median average salary in the district being below the county and national average figures?

The Corporate Director responded that it was a complex matter to address, making Carlisle an attractive place to live, encouraging businesses to the district to increase the number and variety of jobs as well as retaining a university in the city were factors that may contribute to increasing the average wage in the district.

A Member commented that whilst she supported the measures outlined by the Corporate Director, she considered that many low income jobs provided important services as had been seen during the Covid Pandemic, therefore it was important that such roles were not denigrated.

The Regeneration Manager agreed that low income jobs were important and considered that the Strategy should articulate that progression and development opportunities should be available to those who wished to take them.

- In relation to Connectivity priority, the cost of public transport within the urban area could be restrictive, could that be addressed?

The Corporate Director explained that the cost of public transport was out with the Council's control. However, through variety of projects and policies the Council aimed to increase choice of transport methods, for example cycling and walking.

A Member commented that rural transport links and costs were also important, given the low level of high speed broadband available in the district and the high level of journeys being made by car highlighted the importance of the Connectivity priority.

- City Centre Vibrancy – in the report Carlisle had been compared with other cities – York, Norwich and Lincoln, had others been considered?

The Corporate Director confirmed that Officers did look at and engage with other cities of a similar size, both formally through groups such as the Historic Cities Group as well as informally with a view to looking at initiatives and support offered, etc.

Working towards the City Centre Vibrancy Priority, the Towns Deal Fund and the Future High Street funding allocations, amounting to £9.1M, would support the diversification of the city centre through the expansion of the culture, leisure, business and residential uses, it was hoped that the increased range of uses would increase footfall and vibrancy in the city centre.

A Member felt that maximising the city's heritage and culture would support a more active visitor economy and that the matter needed to be addressed. He further considered that expanding the hotel accommodation offer to include venues for business tourism would be beneficial, and wished the matter to be included in the Action Plan.

The Corporate Director agreed the importance of the city's cultural and heritage offer. She noted that the Borderlands Inclusive Growth Deal had a strong focus on the issue and in response had developed a Destination Programme and a Place Programme. She also supported the Member's comments in relation to business tourism and work was being undertaken to attract a known brand from that sector.

- What impact would the Covid 19 pandemic restrictions have on high street trends?

The Corporate Director considered it likely that once restrictions were lifted, there would be a return of customers to the high street, as shopping was social and leisure activity for people. In the medium to long term retailers were likely to transition into smaller units due to the increased prevalence of online shopping.

- Were there plans to create a Member Advisory Group for the city centre?

The Corporate Director advised that as part of the work relating to the Town Investment Plan a board had been created with members from both the public and private sector to scrutinise the Council's plans. The Economy, Enterprise and Housing Portfolio Holder had requested that a Taskforce be established in relation to the city centre and work was underway to progress that.

- A Member considered that the Strategy focussed on the physical aspects of economic growth, she felt it was important that 'softer' areas such as social capital were included too.

The Corporate Director responded that the Strategy aimed to address areas such as education, culture and wages by providing the infrastructure need to support them. A strong economy would support the health and wellbeing of people in the city.

The Economy, Enterprise and Housing Portfolio Holder stated that the Economic Strategy was a living document that would continue to evolve in response to new challenges.

The Communities, Health and Wellbeing Portfolio Holder commented that the Council also undertook much work to support the health and wellbeing of residents, for example being a World Health Organisation Health City.

The Member further commented that, given the Council's commitments to addressing climate change, the Strategy needed greater emphasis on "green growth".

- The City was strategic placement meant that transport links were vital to its connectivity, therefore it was important that the Council lobbied for improvements to the A69 and the A595.

The Corporate Director acknowledged the Member's comments and considered that in addition to road links, railway connectivity was also essential. The Borderlands Inclusive Growth Deal would support two projects in that area: the Station Project in Carlisle which would make the facility HS 2 ready, and the Borders Rail project.

- In relation to Priority 5 – Supporting Rural Development and Innovation a Member commented that he wished employment opportunities for Brampton to be included.

The Chair summed up the discussion noting Members had highlighted the importance of the visitor economy and felt that the Strategy needed to better articulate a softer approach including areas such as culture so that it was not so infrastructure focussed. The priorities within the Strategy should further emphasise: the importance of digital connectivity to support rural growth; local employment centres; links to local training and employment opportunities and, green growth.

RESOLVED – 1) That the framework and context of the Economic Strategy for the Carlisle District and the challenges, opportunities and priorities identified be noted.

2) That in developing the next iteration of the Strategy Officers take into account the Panels comments set out above.

EGSP.08/21 OVERVIEW REPORT AND WORK PROGRAMME

The Overview and Scrutiny Officer presented report OS.03/21 providing an overview of matters relating to the work of the Economic Growth Scrutiny Panel. Following the dispatch of the report a further Notice of Executive Key Decision had been published on 8 January 2021, it contained an item within the Panel's remit: KD.02/21 – Empty Property Grant Assistance. The Panel discussed including a report on the matter at its meeting of 4 March 2021. Given the items already scheduled for the March meeting, the Chair requested that the Overview and Scrutiny Officer liaise with the relevant Officer to identify the scale of the report and whether it would be feasible to include the item on the agenda.

In relation to the Progress on resolutions from previous meetings, the Overview and Scrutiny Officer noted that recently documentation had been circulated in connection to Carlisle Ambassadors, she understood that the contract would be circulated in due course.

The Panel's attention was drawn to the Panel's Work Programme for 2020/21. A Member requested that the Kingmoor Park Update report scheduled for the 4 March 2021 meeting focus on how businesses were being attracted to the Enterprise Zone and which businesses were included.

RESOLVED – 1) That report OS.03/21 be noted.

2) That the Overview and Scrutiny Officer investigate the feasibility of a report on Empty Property Grant Assistance being considered at the 4 March 2021 meeting of the Panel.

3) That the following matters be submitted to the Panel on 4 March 2021:

- Kingmoor Park Update
- Draft Carlisle Plan
- Quarter 3 Performance Report

The Corporate Director of Economic Development submitted report ED.05/21 which set out the background to the £1M grant awarded to Carlisle City Council from the Ministry of Housing, Communities and Local Government (MHCLG) through the Towns Fund Initiative to accelerate delivery of capital projects in the city. The report identified the proposed projects and allocation from the Fund used to deliver them.

In considering the report, Members raised the following questions or comments:

- Did the Council own the site of the proposed Caldew Riverside Project?

The Regeneration Manager confirmed that the Council owned the site. Responding to a further question from the Member regarding its suitability for development given it was in a flood risk zone, he noted that a number of tests required to be passed in order for Planning Permission to be granted. Officers had looked at other sites nationally with similar circumstances to understand what mitigation measures had been included. It was clear that the design would need to be innovative in order to meet the challenges presented by the site.

- What was the timescale for the delivery of the temporary modular pods for the Bitts Park project?

The Regeneration Manager advised that Officers were meeting the following week to assess progress, it was anticipated that some minor slippage would have occurred, however, the project milestones were mainly on track.

- How would the loss of parking provision as a result of the Caldew Riverside Project be addressed?

The Regeneration Manager explained that early work had been undertaken on a Transport and Movement Study which indicated that loss of the car park would not affect the strategic provision in the district.

- Were the pods aimed at artists and creative industries?

The Regeneration Manager responded that the site would be used for creative industries so as not to compete with the city centre retail offer, there was still some debate with the provider regarding the specific uses of the pods.

A Member sought confirmation that funding for the Bitts Park project remained accessible in the event of slippage.

The Regeneration Manager stated the Ministry for Housing, Communities and Local Government had advised that the funding had been ringfenced and would remain available.

RESOLVED – That the details of the Caldew Riverside and Bitts Park project be noted.

Councillor Bomford left the meeting

RESOLVED – That in accordance with Section 100A(4) of the Local Government Act 1972 the Public and Press were excluded from the meeting during consideration of the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in the paragraph number 3 of Part 1 of Schedule 12A of the 1972 Local Government Act.

The Corporate Director of Economic Development submitted report ED.03/21 which provided an overview of the Borderlands Inclusive Growth Deal including key components of the Full Deal proposal. The report outlined the programmes and projects the Council was directly involved in the development and delivery of.

Members scrutinised the report and the Leader and Corporate Director responded to the Panel's queries relating to the particulars of individual projects and details in respect of the Full Borderlands Inclusive Growth Deal.

The Chairman moved the recommendations in the report and the Panel indicated its agreement.

RESOLVED - That the Economic Growth Scrutiny Panel:

- 1) Noted the strategy, strategic objectives and projects upon which the Deal had been developed.
- 2) Noted the governance and delivery arrangements for the Deal, including the establishment of the Borderlands Project Management Office.
- 3) Noted the financial revenue resources required to support the operation of the Borderlands Project Management Office.
- 4) Note that the delivery of key Borderlands projects in Carlisle was dependent on land and property owned by the City Council.

(The meeting ended at 6:26pm)