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ECONOMY AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE

Wednesday, 24 November 2010

<u>Present:</u>	Councillor	G Davies (Chair)	
	Councillors	B Kenny (In place of J Stapleton) J Hale M Johnston S Kelly	D Knowles A Pritchard D Roberts I Williams
<u>In attendance:</u>	Councillors		
<u>Apologies</u>	Councillors	E Boulton	

62 DECLARATIONS OF INTEREST/PARTY WHIP

Members were asked to consider whether they had personal or prejudicial interests in connection with any item(s) on this agenda and, if so, to declare them and state what they were.

Councillor B Kenny declared a prejudicial interest minute 65 Next Generation Access by virtue of his employment with British Telecom.

Members were reminded that they should also declare, pursuant to paragraph 18 of the Overview and Scrutiny Procedure Rules, whether they were subject to a party whip in connection with any item(s) to be considered and, if so, to declare it and state the nature of the whipping arrangement. No such declarations were made.

63 MINUTES

The Director of Law, HR and Asset Management submitted the minutes of the meeting held on 21 June, 2010.

Resolved – That the minutes be received.

64 INVEST WIRRAL - PRESENTATION

The Director of Corporate Services gave a presentation outlining the Invest Wirral's role and responsibilities in providing information and support to help businesses grow and develop, including:

- locating business premises
- links to key business support organisations

- training and skills knowledge
- funding support
- networking and events
- supplier links
- business partner collaboration
- apprenticeship opportunities
- inward and local investment enquiries

He provided key statistics for the past year highlighting performance against targets for jobs created/safeguarded, and investment.

The Director gave some specific examples of the range of work with local companies to assist their development plans; partnership working with a range of business support organisations; development of the Wirral Business Forum; organisation of key business promotion events; and participation in international events to raise awareness and create opportunities for overseas trade and investment.

The Director responded to a range of questions from members including:

- the potential for increasing membership of the Business Forum;
- Wirral's initiative in taking the lead for communicating the "green" agenda across the North West Region through the Green Power Forum, the availability of government funding, and the potential locally for training schemes utilising 'Green Deal' and Skills Agency funding.

Resolved – That the Committee thank the Director for his presentation and note the achievement against the key performance indicators relating to jobs created/safeguarded, and investment.

65 **DRAFT HOUSING STRATEGY AND UPDATE ON THE CONSULTATION PROCESS**

The Head of Housing and Regeneration presented a report comprising an overview of the draft Housing Strategy 2011 – 2026, and update on the process and progress of the first phase of the consultation programme which was currently underway and due to finish on 10th December, 2010.

Following a review of the achievements of the current Housing Strategy officers had drafted a new long term strategy for Wirral, which would run up to 2026. The vision for Wirral's Housing Strategy was to create sustainable communities across the whole of the Borough, in which people would choose to live and stay. Four key strategic priorities of 'Delivering Urban Renaissance', 'Providing Affordable Homes to Maintain Balanced Communities', 'Delivering Decent Homes in Thriving Neighbourhoods', and 'Meeting the Needs of Communities and Providing Support for Those who need It', were seen as fundamental to achieving the vision of the Strategy.

To ensure that the Strategy and in particular the Action Plan remained relevant and responsive to the changing environment, an extensive consultation exercise was being undertaken with key stakeholders, including communities across Wirral to 'reality check' the Strategy priorities and to identify any emerging local housing

related issues. The majority of those consulted, supported both the vision and the strategic priorities and felt that these addressed all of their housing and related issues. In particular residents identified improving the housing offer, increasing the supply of homes and building more affordable housing as the key housing issues for Wirral which needed to be addressed. All of these priorities were currently included in the existing Strategy and Action Plan.

It was proposed that a two stage consultation programme be undertaken, with stage one specifically testing the draft strategy and gaining views on all of the key issues which would inform housing policies and initiatives for the future. This part of the consultation process commenced in October would finish on 10th December 2010. When the responses had been collated, officers would start to develop the Strategy further along with a supporting Housing Investment Plan. A further consultation stage would then take place on the Housing Investment Plan which would be used and monitored to respond to annual budgets and funding regimes such as the Comprehensive Spending Review. The final draft Housing Strategy 2011 – 2026 and supporting Housing Investment Plan, would be reported back to Members early 2011, ready for implementation from 1st April 2011.

There was a discussion highlighting the need for initiatives to bring empty properties back into the market, the response to affordability which could include a person's ability to rent a home, and ways of supporting the letting sector.

Resolved –

(1) That the report be noted.

(2) That a further report on the outcome of the consultation and the final draft Housing Strategy 2011 – 2026 be brought back to the January meeting of this committee.

66 **NEXT GENERATION ACCESS (NGA) - PROGRESS REPORT**

(Having previously declared a prejudicial interest in respect of this matter, Councillor Kenny left the meeting whilst it was considered).

Further to minute (Cabinet – 18/3/10) when actions taken to progress the design and implementation of a Next Generation Access Network for Wirral, giving priority to the main business areas were approved, the Head of Housing and Regeneration reported upon progress to date and outlined the next stages of development.

He reported that with Cabinet approval in place, efforts had focused on consulting and preparing detailed evidence required for formal approval processes. Officers had been working with the consultants, Adit North, to develop a dedicated State Aid notification underpinned by a business model for EU Commission approval. The business case modelling exercise was factored into the production of the Statement of Requirements (SOR) which defined the expected outcomes and provided a framework for tendering purposes. The tendering process which was now at an

advanced stage would be undertaken via the Official Journal of the European Union (OJEU) and would be designed procure the provision of broadband infrastructure and specialist operating and management services to run the network.

With the progress made to date, it was proposed to maintain this momentum and obtain State Aid approval from the EU at the earliest possible opportunity. In parallel it was planned to proceed with the procurement of an Infrastructure Provider and a Network Operator. It was envisaged that the outcome of the tendering exercise would be the appointment of a key project partner to provide the physical infrastructure such as cabling and the procurement of an operating company.

The estimated total cost of the NGA project for Wirral was £35m. The first phase, costing approximately £12m for the businesses areas, would be funded from the Working Neighbourhoods Fund and Council resources.

Resolved – That the Committee welcome and note the progress made to date on this project.

67 **QUARTER 2 PERFORMANCE REPORT 2010/11**

The Head of Housing and Regeneration presented an overview of progress made against the indicators for 2010/2011 and key projects which were relevant to the Economy and Regeneration Overview and Scrutiny Committee covering the second quarter, from July to September 2010. Appendix1 provided the detail of the performance indicators that were reported for the second quarter and included the context and corrective action as requested by the committee.

There were 27 indicators that could be reported at the second quarter to this Committee. In summary, 24 projects were green (all milestones had been met), 3 projects were amber (critical milestones missed/serious slippage) and details of the corrective action to bring amber projects back on track was provided. Appendix 2 provided a list of the projects that were green.

He highlighted some of the key achievements:

- The Wirral Waters scheme to regenerate derelict brownfield land within East Float at Birkenhead Docks had been approved;
- The number of business start-ups supported through the Councils Business Start Programme had exceeded its quarterly target;
- The number of jobs safeguarded by company expansions or by Invest Wirral support had also exceeded its target at quarter two.
- Significant Job Seekers Allowance Reductions (JSA) (Sept data):
 - Wirral now had the lowest JSA rate in the Liverpool City Region (LCR) at 4.4%
 - Wirral's reduction was 2x faster than LCR, Regional and National rates
 - Best yearly reduction in rate at 1.0% which is over 2x faster than the England

- average
- Reduction of 1,872 claimants since September 2009.

In terms of risks, the fragile state of the wider economy continued to be a significant source of uncertainty for local businesses. Initiatives such as Wirral Waters, Invest Wirral, "Think Big Grants" and the wider Economic Recovery Plan were helping to offset the impact to some degree. However, the Government response to the budget deficit was also presenting a significant threat to priorities in this field in terms of changes to the welfare benefits system and reductions in staff and services in the public sector. The 'Working Wirral' initiative, coherent activity by the partners and the Invest Wirral programme may help to counter some of the impact.

There was also uncertainty about funding for delivering the Housing Strategy including the regeneration areas and initiatives such as the Warm Front initiative.

The departmental financial monitoring indicated that there were no significant budget variations projected at this stage of the year and spend was expected to be in line with the budget allocated.

Resolved – That the presentation be noted.

68 **UPDATED WORK PROGRAMME 2010/11**

The Committee received an update on its work programme including reports to be scheduled for the next two meetings.

Resolved – That the work programme be noted.

69 **FORWARD PLAN**

The Committee had been invited to review the Forward Plan prior to the meeting in order for it to consider, having regard to the Committee's work programme, whether scrutiny should take place of any items contained within the Plan and, if so, how it could be done within relevant timescales and resources.

Resolved – That the forward plan be noted.

70 **EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC**

Resolved – That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business on the grounds that it involves the likely disclosure of exempt information as defined by the relevant paragraphs of Part I of Schedule 12A (as amended) to that Act. The public interest test had been applied and favoured exclusion.

71 **REGENERATION UPDATE**

The Head of Housing and Regeneration provided an update on major development schemes within the borough.

Resolved - That the report be noted.