

At a meeting of the PROSPERITY AND ECONOMIC DEVELOPMENT SCRUTINY COMMITTEE held in the CIVIC CENTRE on WEDNESDAY 16TH FEBRUARY, 2011 at 5.30 p.m.

Present:-

Councillor Snowdon in the Chair

Councillors Cuthbert, P. Gibson, Old, A. Wright and T. Wright.

Also Present:-

Councillor D. Tate – Chairman of the Management Scrutiny Committee.

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillors Bell, Mordey and J.B. Scott.

Declarations of Interest

There were no declarations of interest made.

Minutes of the Last Meeting of the Committee held on 19th January, 2011

1. RESOLVED that the minutes of the last meeting of the Committee held on 19th January, 2011 be confirmed and signed as a correct record.

Low Carbon Task and Finish Group – Visit to Evolve Business Centre

The Chief Executive submitted a report (copy circulated) which provided the Committee with feedback on a visit by the Task and Finish Group to meet with a number of technology companies based at the Evolve Business Centre.

(For copy report – see original minutes).

In addition the report included an updated work programme for the Low Carbon Task and Finish Group for the municipal year 2010-2011 and provided an introduction to Mr. Joe Olabode of PCI Services who was attending the meeting to inform Members

of the work of his firm and provide his views on the facilities on offer at the Evolve Centre.

Mr. Olabode proceeded to brief Members on the growth of his business career on Tyneside and his pride in being able to sell his share in that business and relocate to his home City, establishing a new business at Evolve in 2006. He reiterated the points made in paragraphs 3.6 and 3.7 of the report and in particular expressed how impressed he was with the new business development support provided by the staff at Evolve. He welcomed the arms length, unobtrusive nature of the support and knowing that it was there should the need arise was helpful. He advised that the Evolve Centre worked extremely well for his business both in terms of location and the facilities on offer.

Councillor Cuthbert asked what, in a 'money no option scenario', could the Council do at Evolve over and above what it was doing already. Mr. Olabode replied that although he fully understood the reasons why the Software City building was to be located at Tavistock he would have loved to have seen it built next to Evolve and to see the whole of that area transformed into a Silicon Valley style enterprise. He believed that Sunderland had yet to realise any tangible benefits of the Software City development and would welcome incentives being provided to bring well established software firms such as IBM or DELL to Evolve. One such big name company would act as a magnet to attract many others.

In response to an enquiry from Councillor P. Gibson, Mr. Olabode confirmed that he had encountered no problems from clients as to the location of Evolve. His business had excellent transport links being only 3 minutes from the A19 and 5 minutes from the A1.

There being no further questions for Mr. Olabode the Chairman thanked him for his attendance and it was:-

2. RESOLVED that the report and Mr. Olabode's comments be received and noted.

The Chairman advised that she would be taking item 6 on the Agenda (Local Enterprise Partnership Update) at this juncture to allow Mr. Taylor to leave thereafter.

Local Enterprise Partnership Update

The Head of Strategic Economic Development submitted a report (copy circulated) which briefed Members on the establishment of the North Eastern Local Enterprise Partnership (LEP) which was to focus on delivering actions against the following four strategic economic priorities:-

- Supporting Enterprise and Private Sector Business Growth
- Building on Key Economic Strengths
- Improving Skills and Performance
- Strengthening Transport, Connectivity and Infrastructure

(For copy report – see original minutes).

Vince Taylor, Head of Strategic Economic Development, presented the report advising Members that Local Enterprise Partnerships (LEP) were intended to bring together businesses and local authorities in order to set the strategy and vision of economic growth in an area. On Thursday, 23rd December, 2010, Business, Local Authorities, Higher Education, Further Education and the Voluntary and Community Sector had submitted a joint proposal to the Secretaries of State for Business, Innovation and Skills and Communities to establish a North Eastern LEP covering Durham County, Northumberland and the five Tyne and Wear authority districts.

In a statement to the House of Commons on Thursday, 13th January, 2011, Mark Prisk MP, Minister of State for Business and Enterprise, announced that the Government had approved the North Eastern LEP proposal, and was encouraging partners to move towards establishing the partnership and forming the LEP Board.

With regard to the next steps, initial discussion had focussed on the need to establish the LEP Board and to identify an Interim Chair of the Board to act as an advocate or spokesperson for the LEP. The Interim Chair would also provide a strategic interface with Government, and could help design a process for recruiting Business Board Members to the LEP Board.

A business plan is being prepared which will firm up a series of activities based around the four strategic economic priorities set out in the LEP proposals and the resources required to deliver these. Consideration was also being given to a wider stakeholder event to be held by the end of March 2011.

In response to an enquiry from Councillor P. Gibson as to who would be likely to fund the small team of officers required to support the LEP, Mr. Taylor advised that it was likely to be the local authorities. Businesses however had suggested they would be willing to second officers.

With regard to an enquiry from Councillor Cuthbert on the requirement for the LEP Board to have at least 50% of its membership from the business sector, Mr. Taylor replied that this was currently being negotiated. The proposal from the North Eastern LEP had been for the Board to comprise the six local authority leaders together with the Elected Mayor of North Tyneside, six representatives from the business sector and one from the University sector. The response from the Secretary of State had been that this was not acceptable as the University sector was not recognised as being representative of business.

Members having expressed concern that there was a danger of the LEP becoming a Newcastle centric body, the Chairman thanked Mr. Taylor for his attendance and, it was:-

3. RESOLVED that the report be received and noted.

Sunderland University – Carbon Agenda and Management Procedure

The Chief Executive submitted a report (copy circulated) which introduced a presentation from Claire Charles, Environment Co-ordinator at the University of Sunderland, who was attending the meeting to highlight measures implemented at the University to reduce their carbon emissions.

(For copy report – see original minutes).

With regard to progress made to date, Ms. Charles advised that:-

- The University completed its first Carbon Management Plan in 2006;
- January 2011 completion and publication of second Carbon Management Plan (CMP);
- The University commits to reducing direct electricity, gas and fuel consumption by 48% by 2010;
- University has achieved a 24.8% downturn in its direct electricity and gas consumption already;
- Project action plan and funding allocated;
- University has Executive level support. Carbon is now one of the University's key working themes and is reviewed annually.

Challenges to be faced included:-

- Funding restraints;
- Integrating the principles of Carbon Management into all aspects of the University;
- Ensuring all stakeholders were aware of Carbon Management and their impact i.e. Procurement and business travel;
- Maintaining momentum and motivation;
- Expanding into Scope 3 effectively, as reportable for universities by 2013.

These challenges, however, could be balanced against the following opportunities:-

- Reduced overheads outweighing up front investment costs;
- Reputational value: University was seen as a sector leader;
- Improved efficiencies;

- Maximising funding opportunities;
- Development of low carbon technology teaching programmes.

In conclusion Ms. Charles provided Members with the following examples of projects undertaken at the University to reduce their carbon emissions:-

- Energy Audits, including:-
 - Voltage optimisation (8% reduction);
 - Boiler replacement;
 - Ground Source Heat Pump;
- Space utilisation;
- Reduction in fleet vehicles/improve fuel efficiency;
- Reduction in waste to landfill.

Councillor Cuthbert referred to the Climate Week Masterclass with Paul Mooney and Dr. Dennis Wheeler which was to be held at the University on 25th March and asked if the Committee could be represented at the event. Ms. Charles replied that the Committee would be more than welcome to attend and she would pass on the details to Mr. Diamond, should any Member wish to do so.

Councillor Cuthbert referred to the targets faced by the University for carbon reduction and asked if there were any penalties for failing to meet them. Ms. Charles replied that there were not. It was currently felt that to impose penalties would not be fair on those institutions with a high percentage of older buildings such as the Universities of Oxford, Cambridge and Durham.

Given that the Council was undergoing its own measures to reduce its carbon footprint, Councillor Cuthbert suggested that one of the policy review's recommendations should be that closer working relationships were fostered between the Council and the University in this regard. This was agreed accordingly.

In response to an enquiry from the Chairman, Ms. Charles confirmed that the Student Accommodation was not included in the plan. A lot of the students' energy charges were accounted for in inclusive plans or via a key system and were therefore classed as domestic. It was, however, intended that Student Travel would be included in the Scope 3 Plan.

The Chairman having thanked Ms. Charles for her presentation it was:-

4. RESOLVED that:-
 - i) the report and presentation be received and noted; and

- ii) the report of the Policy Review include a recommendation that closer working relationships be fostered with the University of Sunderland with regard to Carbon Management.

Urgent Item

In accordance with Section 100(B) of the Local Government Act 1972 the Chairman stated that the following item was to be considered at this meeting as a matter of urgent business as the seminar it related to was to be held prior to the next meeting of the Committee.

Request to Attend Seminar – Sustainable Procurement

The Chairman advised that a free seminar entitled 'sustainable Procurement – Not Luxury, Simply Good Practice' organised by NEREO was to be held at Durham County Cricket Ground, Chester-le-Street on 17th March from 1.30 to 4.30 p.m. She informed Members that any expressions of interest should be submitted to Jim Diamond, Scrutiny Officer. The Chairman confirmed that both herself and Councillor T. Wright would be attending.

(For copy report – see original minutes).

- 5. RESOLVED that approval be given for Members of the Committee to attend.

Forward Plan – Key Decisions for the Period 1st March, 2011 to 30th June, 2011

The Chief Executive submitted a report (copy circulated) to provide Members with an opportunity to consider those items on the Executive's Forward Plan for the period 1st March, 2011 to 30th June, 2011 relating to the Prosperity and Economic Development Scrutiny Committee.

(For copy report – see original minutes).

Councillor Cuthbert having requested that items 01493 and 01403 be submitted to the Committee should they be of relevance, it was:-

- 6. RESOLVED that the Forward Plan be received and noted.

Work Programme 2010-11

The Chief Executive submitted a report (copy circulated) which attached for Members' information the Committee's current programme of work for the 2010-11 Council year.

(For copy report – see original minutes).

7. RESOLVED that the Committee's Work Programme for 2010-11 be received and noted.

The Chairman then closed the meeting having thanked everyone for their attendance and wished them a safe journey home.

(Signed) D. SNOWDON,
Chairman.