

## **Economic Development Sub-Committee**

**Minutes of the Meeting held on Thursday, 19 January 2017  
at 10:00am in the Edwards Room at County Hall**

**Present:**

Mr S Clancy - Chairman

Ms C Bowes

Mr J Childs (Vice-Chairman)

Mr C Foulger

Mr M Sands

Mr J Timewell

Mrs C Walker

Mr A White

**Also Present:**

Cllr Beverley Spratt

**1. Apologies and Substitutions**

1.1 Apologies were received from Mr B Iles and Mr T Jermy (Mr M Sands substituting).

**2. Minutes**

2.1 The minutes of the meeting on the 24 November 2016 were agreed as an accurate record and signed by the Chairman.

2.2.1 Matters Arising from the Minutes:

2.2.2 The acting Assistant Director of Economic Development and Strategy agreed to follow up with Highways England regarding the issue in paragraph 11.2.4 of the minutes "related to the roundabouts on the A12 to Yarmouth and traffic lights on Gapton Hall roundabout...having not been addressed despite being raised with Highways England".

**3. Declarations of Interest**

3.1 There were no declarations of interest.

**4. Items of Urgent Business**

4.1 There were no items of urgent business.

## 5. Local Member Issues / Questions

- 5.1 Mrs Walker discussed her observation of the response of emergency services, volunteer services and others during the flooding issues of recent weeks, and congratulated those involved in preparing for the predicted sea surge; she felt that even though the surge did not occur as predicted, Yarmouth and other coastal areas were well protected for the eventuality, meaning local residents were kept safe. The Chairman and the committee supported this view.

## 6. Public Question Time

- 6.1 No public questions were received.

## 7. Notice of Motions

- 7.1.1 Mr Childs gave an introduction to his motion, seconded by Mr White.
- 7.1.2 He spoke of how public toilets were previously funded by Borough Councils but many were now closed. As a key part of Norfolk's tourism, he felt the importance of attracting returning visitors to beaches should be considered and to do this public conveniences invested in. He suggested District and Borough Councils should be approached to revisit the impact of withdrawing public conveniences.
- 7.2.1 Following debate and upon being put to a vote, the motion was duly **CARRIED**.
- 7.2.2 The Chairman asked the Acting Assistant Director of Economic Development and Strategy to write to District, Parish and Borough Councils to ask them to look at options regarding provision of toilet facilities and keeping beaches clean.

## 8. Verbal Update/feedback from Members of the Committee regarding Member Working Groups or bodies that they sit on

- 8.1.1 Cllr Spratt updated the Sub Committee on the recent meeting of the County Farms Advisory Board:
- A tenants meeting had recently been held at Swaffham and a further meeting was due to be held in March 2017;
  - The Advisory Board and Officers were due to visit houses on the Eastern end of the estate in February;
  - The Advisory Board **REQUESTED** the Economic Development Sub-Committee look at the potential impact of Brexit on farming;
  - The impact of ash dieback appeared to be lower than originally predicted;
  - 1900 people were following the County Farms Facebook group;
  - Duncan Slade had been welcomed back to the County Farms team;
  - County Farms were hoping to make progress with 87 houses to bring profit to Norfolk County Council.
- 8.1.2 During discussion the following points were noted:

8.1.3 Cllr Spratt confirmed that through discussions with tenants of the 87 houses, and after visits in February, the County Farms team would decide whether to let, keep or restore the houses; they would remain within the County Farms department.

8.2.1 The Chairman asked the Managing Director of Hethel Engineering for an update on Scottow Enterprise Park:

- Occupancy was at 72% by units, of 125 units, comprising 505,000 sq ft;
- The primary focus was science, technology, engineering and manufacturing;
- The number of people working at the site was now 236 and growing;
- Superfast broadband was in place at 75Mbps;
- The water project was due to be finished at the end of April 2017;
- They were currently looking at cost cutting initiatives;
  - Overheads had been reduced by £200,000; the target was £300,000;
- Rents of £500,000 were being brought in; the target was £800,000;
- Customer enquiries had increased 6 fold, with most demand seen in North Norfolk and Norfolk.

## 9. Emerging Sectors – The Bioeconomy

9.1.1 The Sub-Committee received the report providing information on the existing and development of Biotech and bioeconomy in Norfolk and East of England.

9.1.2 The Sub-Committee heard a presentation by the Chief Executive Officer of the Norwich Research Park and Aaron Hunter, an Innovation Facilitator at Hethel Engineering; see Appendix A.

- “Biotech” encompassed sectors such as agriculture, agriculture waste and water management, among others;
- Norfolk contained a complete agritech supply chain;
- One of the 2 centres of excellence for bioinformatics in the UK was in Norfolk, the Earlham Institute (formerly the Genome Analysis Centre) at the Norwich Research Park;

9.1.3 The Chairman highlighted the importance of engaging with private sector partners, and was pleased to see engagement with new businesses and sectors.

9.2 The Sub-Committee:

- **NOTED** the developments of the ‘Bioeconomy’ and the economic opportunities that it provided;
- **ENDORSED** the work of Hethel Innovation in the delivery of the ‘Innovation New Anglia’ programme and the establishment of ‘Biotech East’ to support and grow the sector.

## 10. Emerging Sectors - Cleantech

10.1.1 The Sub-Committee received the report explaining cleantech, and discussing the growth of this sector in Norfolk and Suffolk and heard a presentation by Alice Reeve an Innovation Facilitator at Hethel Engineering and Mark Aspinall; see Appendix B.

10.1.2 The Chairman was pleased to see Norfolk at the forefront of cutting edge work; he highlighted the importance of carrying out research with practical applications and benefits to the local economy, with local companies inputting into what they needed to deliver jobs at a deliverable cost.

10.2 The Sub-Committee:

- **NOTED** the emerging 'Cleantech' sector and the opportunities that it provided;
- **ENDORSED** the work of Hethel Innovation in the delivery of the 'Innovation New Anglia' programme and the establishment of the 'Cleantech East' network to support and grow the sector.

## 11. Enterprise Zones

11.1.1 The Sub-Committee received the report providing an update on the two Enterprise Zones in Norfolk.

11.1.2 The Economic Development Manager gave a brief introduction to the report and invited members to endorse the approach.

11.2.1 Mr Childs and Mrs Walker praised the success of the enterprise zones in relation to their revitalisation of the wind energy sector, especially in Gt Yarmouth, referring to the recent announcement at Seajacks who were taking on 75 new staff. The Economic Development Manager reported that there would be regular updates regarding the Lowestoft and Yarmouth enterprise zones in bulletins provided in the future.

11.2.2 The Acting Assistant Director of Economic Development and Strategy clarified that Enterprise Zones offered the ability to borrow against future income in order to invest in the sites themselves or in other activity to attract or enable investment. Decisions on whether to proceed with projects would be based on a number of factors including future projected income for up to 25 years, performance, and confidence over the longer term development of the site.

11.2.3 The Economic Development Manager reported that lessons had been learned from the first round of enterprise zones in the 1980s, where research had found displacement occurred in all areas except for the London Docklands. Incentives now on offer were more modest and unlikely to cause much, if any displacement from nearby locations.

11.2.4 The Economic Development Manager clarified that a legal agreement would be in place with each Local Authority with an Enterprise Zone site in their area to determine the split of funding, as outlined in paragraph 1.5 of the report. The agreement would determine how funding would be used and, if issues arose, could be modified. It was noted that the Government's decision to raise the threshold for Small Business Rate relief to £15,000 in 2016 could impact on how Enterprise Zone sites would operate, but this was being monitored.

11.2.5 The Chairman highlighted the importance of the role of planning authorities to support businesses to grow.

- 11.2.6 Improvements to the road infrastructure between Norwich and Cambridge / Peterborough were discussed. The Chairman highlighted infrastructure as a high priority, and the duty to hold organisations to account on moving forward in a timely manner, for example Highways England.
- 11.2.7 A discussion was held over plans for complimentary road infrastructure at Enterprise Zones. He clarified that some site plans included modest road infrastructure improvements, and hoped the plans to improve the A47 would benefit the Nar Ouse Enterprise Zone site and development of the Norwich Distributor Road would benefit Scottow Enterprise Park.
- 11.3 The Sub-Committee **ENDORSED** the approach being taken to support Enterprise Zone Development.

## 12. Inward Investment Update

- 12.1 The Sub-Committee received the report providing an overview of the inward investment function, update on current performance and proposals for future activity.
- 12.2.1 The Economic Development Manager pointed out that the “UK offer” to attract inward investment may change in the next few years as a result of the referendum result in June 2016. The number of enquiries from overseas had reduced in recent months highlighting the importance of working even more closely with locally based foreign owned, particularly US owned, businesses.
- 12.2.2 Queries were raised about the “current 2016/17 pipeline”, shown in paragraph 2.7 of the report, page 51:
- The Economic Development Manager confirmed that the South Korean Interactive Screen manufacturing company’s process could incorporate final assembly of imported components, packaging and storage;
  - The Economic Development Manager reported that the enquiry regarding the Japanese Automotive manufacturer came through a tenant at Hethel Engineering Centre. Norfolk had been given a chance to present its capabilities to take on this project as a result of this contact. At this stage it was unclear how much of the manufacturing process would take place in Norfolk if the project was secured;
  - The project “expansion of games development company” was in competition with other areas; a good offer had been put in to the company, and the Economic Development Manager would monitor progress;
  - The Farm plastics project was not at an advanced project stage; a proposal had been put forward and support had been received from colleagues in the Council’s waste team; there were a number of key technical constraints to be overcome before the project could establish a facility.
  - The “Electric Vehicle Manufacturer” project was in the research and development stage.
- 12.2.3 The Economic Development Manager confirmed that data showed the County’s skills base included people with experience in automotive engineering.

- 12.2.4 The Economic Development Manager was working with the Chief Executive Officer of the Norwich Research Park to develop a lead generation project to attract start-up and other small businesses in the biotech and other science sectors. The initiative would look to link with the Genome 10k event, the largest of its kind in the world, and the first time held in the UK. The aim was to showcase Norwich and Norfolk at the John Innes Conference Centre. The Economic Development Manager **agreed** to circulate the full details to members.
- 12.3 The Sub-Committee commented on current performance and arrangements and **SUPPORTED** the efforts of the inward investment team.

### 13. EU Programmes Update following the Referendum

- 13.1.1 The Sub-Committee received the report providing an update on government announcements made since July which impacted on EU funded programmes managed and delivered by Norfolk County Council.
- 13.1.2 The Programme Manager for European, National and Rural Funding Programmes updated the Committee that since the report was written, the Prime Minister had indicated the UK may participate in some EU programmes; the level of contribution to the EU budget would likely be much less than at present.
- 13.1.3 The Chairman asked that the proposal at section 1.1 be strengthened by inserting the word 'managed', to read "the UK government should replace EU funding with a national successor scheme delivered and managed locally which maintains the current global value and is index linked".
- 13.2 The Sub-Committee:
- **SUPPORTED** the government guarantee for funding and the EU project activity that had happened since the referendum;
  - **APPROVED** the proposal and principles for any economic based successor schemes to EU funding (post 2020) as the basis for our submission to the Local Government Association Brexit Sounding Board.

### 14. Apprenticeships funding update

- 14.1 The Sub-Committee received the report providing an update on the position of the Apprenticeships Norfolk service in the light of ceasing of existing funding in June 2017, following on from the report presented in November 2016.
- 14.2.1 The Chairman was keen for the Apprenticeships team to continue to identify further funding to support the programme.
- 14.2.2 The Employment and Skills Manager reported that internal resources had been secured for approximately 50% of the estimated costs of maintaining a level of service from July 2017; efforts continued to secure external funding, including potential European social funding. Following a query related to supporting young people aged 18 and above, the Employment and Skills Manager reported that work

was underway with colleges in Norfolk and Suffolk to commit to work together to ensure young people move on successfully.

- 14.2.3 The Chairman raised his intention to share with Councillors details of secondary schools / academies who were not engaging with Apprenticeships Norfolk; he **agreed** to email this to the Members with non-participating schools in their division.
- 14.2.4 The Employment and Skills Manager reported that apprenticeship schemes were working with young people in rural areas to help them to access apprenticeships.
- 14.3 The Sub-Committee **NOTED**:
- That had been possible to identify approximately 50% of the required resource that could be used to support the delivery of Apprenticeship promotion work in schools, the community and to employers from July 2017;
  - That exploring alternative external sources of funding, including European Social Fund Opportunities (ESF) and social mobility funding continued.

## 15. Finance Monitoring Report

- 15.1 The Sub-Committee received the report providing the financial position for the service as at the end of December, Period 8, 2016-17 financial year, covering the revenue budget, capital programme and balance of reserves.
- 15.1.2 The Financial Business Partner for Communities and Environmental Services reported that there were no financial issues for the upcoming year, 2017/18.
- 15.1.3 Protecting the Economic Development budget in the upcoming budget reviews was raised.
- 15.2 The Sub-Committee **NOTED** the budgets for Economic Development and Strategy for 2016-17.

## 16. Forward Plan and decisions taken under delegated authority

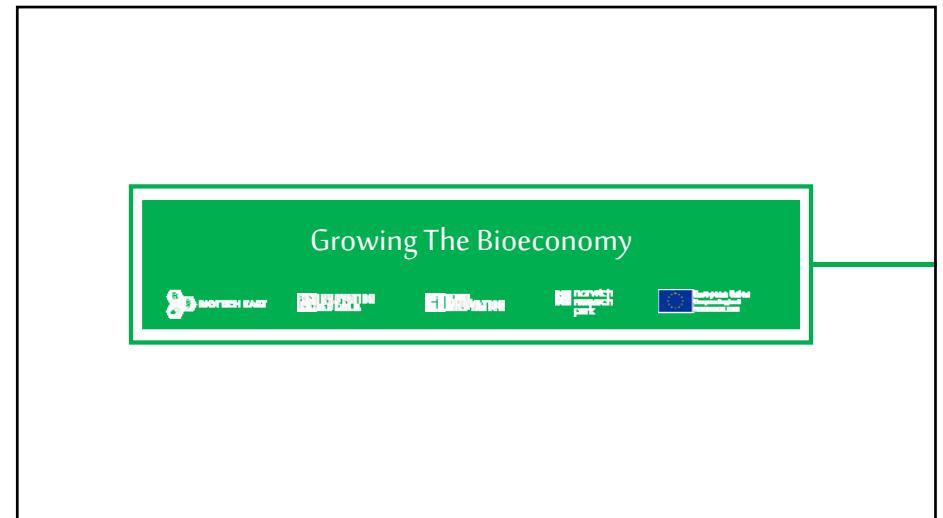
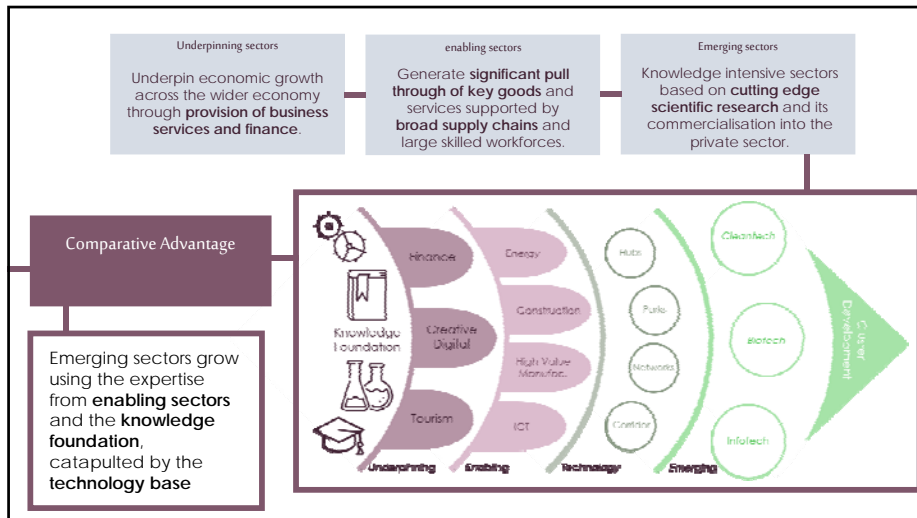
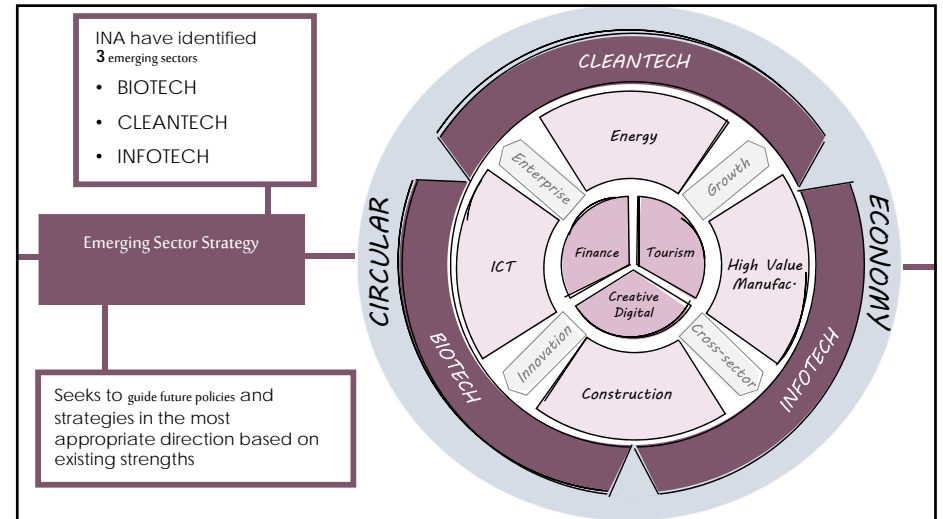
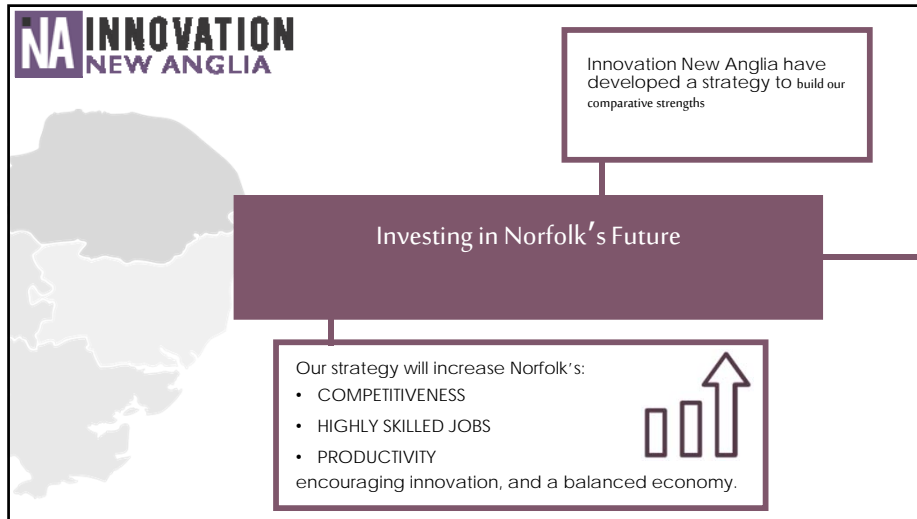
- 16.1 The Sub-Committee received the report setting out the Forward Plan for the Economic Development Sub-Committee.

The Sub-Committee **NOTED** the Forward Plan and requested:

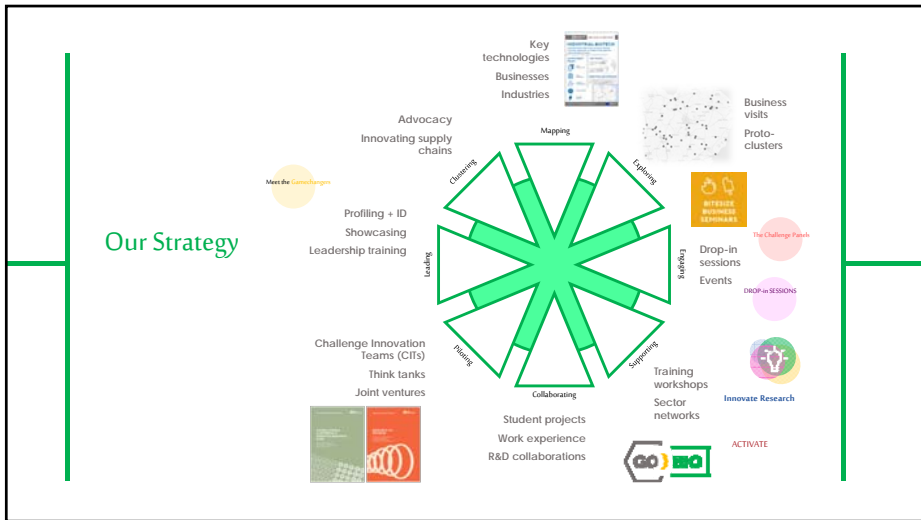
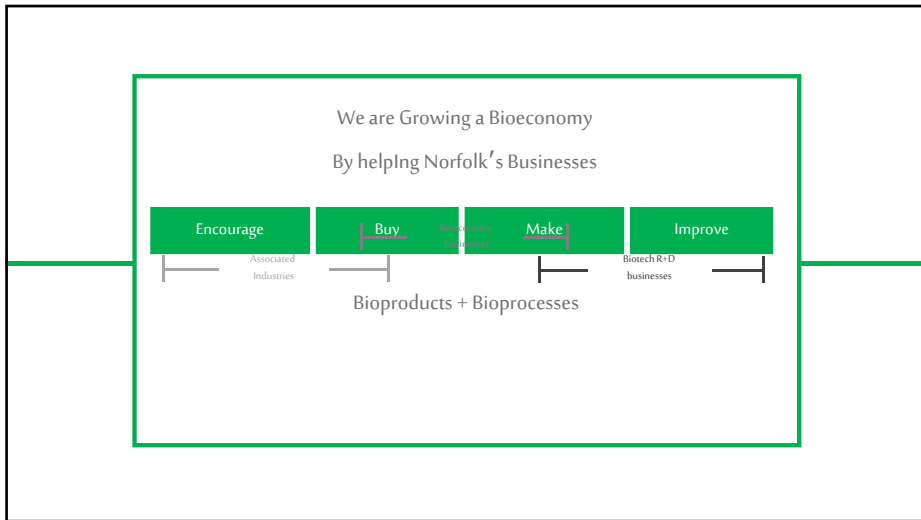
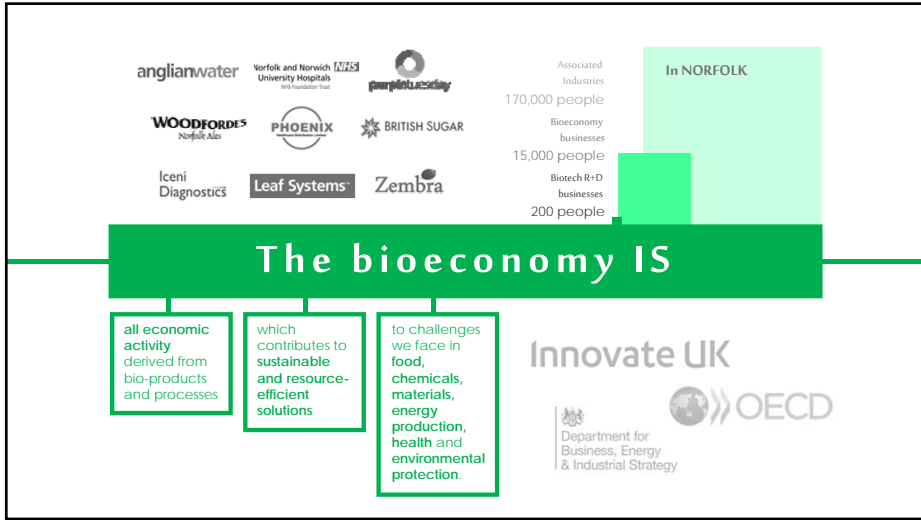
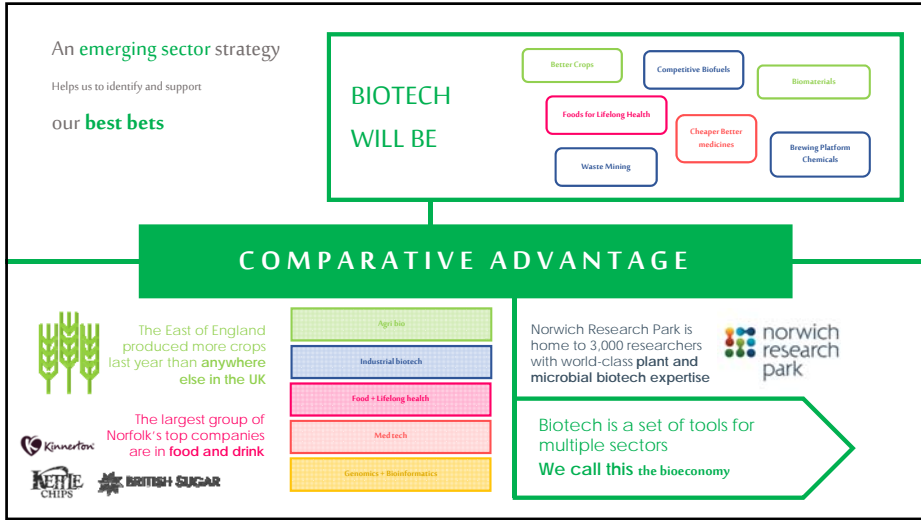
- Information from high schools who were supporting apprenticeships was suggested as useful for a future meeting;
- The County Farms Advisory Board **REQUESTED** the Economic Development Sub-Committee to look at the possible impact of Brexit on farming in Norfolk.

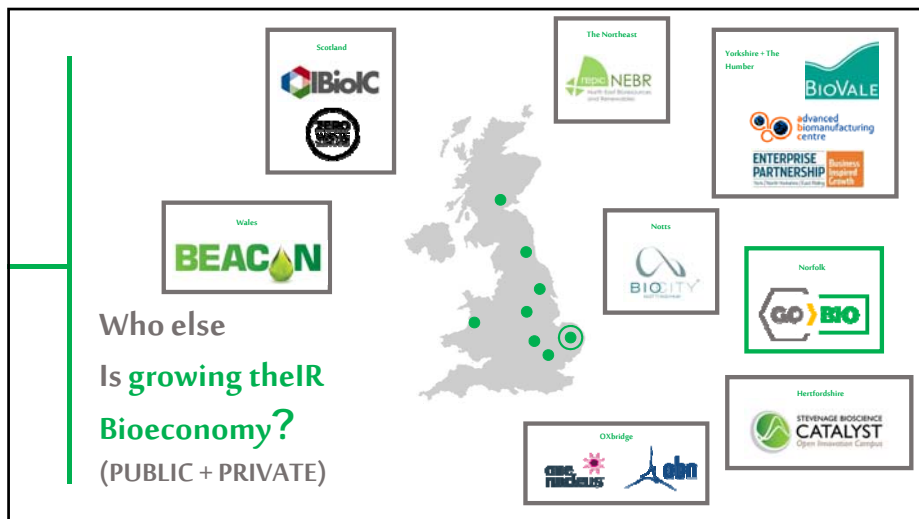
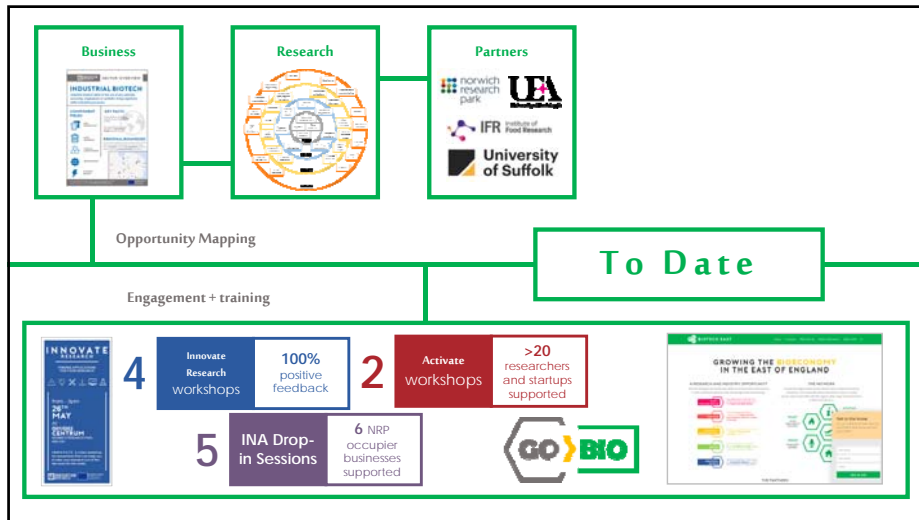
The meeting closed at: 11:39am

**Chairman**









## Growing The Cleantech economy

## The Clean Economy IS

Supported by products, processes or services providing:

- cheaper superior performance
- on fewer resources
- whilst reducing negative ecological impacts

**£3.2 Trillion**

Global low-carbon and environmental goods + services (LCEGS) sector value

**£1.3 TRILLION BY 2030**  
Spent on cleantech globally

**4th INDUSTRIAL REVOLUTION**  
In Natural Resources

**£4 BILLION**  
venture capital investment in Q1 2016

**£122 Billion**

UK share of the LCEGS market

In the UK

**6th IN THE WORLD** for cleantech innovation

**>£9 BILLION** invested

**>260,000** enterprises in cleantech

SUPPORTED BY

## Regions already Investing in Cleantech

## COMPARATIVE ADVANTAGE

**1 in 12**

Jobs in New Anglia directly depend on natural capital

The average energy job GVA in New Anglia is **£994 Million**

55 companies within New Anglia specialise in Composites

CLEAN ENERGY		ENVIRONMENTAL TECHNOLOGIES	
Renewables	CCS	Monitoring	Biotech
Storage	Nuclear	Remote Sensing	Pollution Management
ADVANCED MATERIALS		BUILT ENVIRONMENT	
Composites	Natural Composites	Passive House	Smart Infrastructure
Recycled Materials		Low Carbon Materials	Micro-generation
		LOW CARBON TRANSPORT	
		Biobuels	Automation
		Hybrid	Light Weight

There are **64,000 people** employed within construction in the region

New Anglia represents **13%** of the UK's alternative fuel market value

