

JOINT MEETING OF THE ENVIRONMENT SCRUTINY COMMITTEE AND GLOUCESTERSHIRE ECONOMIC GROWTH SCRUTINY COMMITTEE

MINUTES of the meeting of the Gloucestershire Economic Growth Scrutiny Committee held on Tuesday 31 October 2023 commencing at 10.00 am at the Council Chamber - Shire Hall, Gloucester.

PRESENT:

Cllr Angus Jenkinson	Cllr Chris McFarling
Cllr Robert Vines	Cllr Chloe Turner (Chair)
Cllr Roger Whyborn	Cllr Gill Moseley
Cllr Matt Babbage (Chair)	Cllr Emma Nelson (Vice-Chair)
Cllr Paul McCloskey	Cllr Sajid Patel
Cllr Paul Baker (Vice-Chair)	Cllr Alan Preest
Cllr Lorraine Campbell	Cllr Wendy Thomas
Cllr John Bloxsom	

Substitutes: Cllr Rebecca Halifax

Cabinet

Members: Cllr David Gray (Cabinet Member for Environment and Planning) and Cllr Philip Robinson (Cabinet Member for Education, Skills and Bus Transport)

Apologies: Cllr Johnathan Lane, Cllr Vernon Smith, Cllr Matt Dimond-Brown, Cllr Dom Morris, Cllr Susan Williams and Cllr Brian Tipper

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. GLOUCESTERSHIRE ECONOMIC STRATEGY

3.1 The Chair invited Ben Watts, Team Manager for Economy, and Strategic Planning, to present this item. Members noted the written report, and a short presentation was given to summarise the key information. The following points were noted:

- Gloucestershire did not currently have an agreed county-wide economic strategy in place. This role had previously been covered by the GFirst Local Enterprise Partnership's (LEP) Strategic Economic Plan (SEP), which developed into a draft Local Industrial Strategy (LIS) in 2020 but

was never formally signed off by Government due to the COVID-19 Pandemic.

- The new Gloucestershire Economic Strategy being discussed today, would be a joint LEP and Gloucestershire County Council (GCC) strategy that built on the priorities set out in the draft LIS and the 2018 SEP.
- It was important for the county to have a strategy in place to provide a strategic overview of its economy, outline a clear narrative for its short and long-term priorities to enable growth locally, and it was also invaluable to support national funding bids.
- A three-stage engagement process had been developed:
 - Stage 1 consisted of approximately 100 stakeholder interviews which asked them to identify the key themes and information they felt needed to be considered. The resulting information was then analysed and produced into a public engagement document which formed the second stage of the process.
 - Stage 2 was a seven-week public engagement process; the engagement document was available on the council website and stakeholders were encouraged to advertise this via their stakeholder channels as well.
 - Stage 3 was a series of five stakeholder workshop events to enable more detailed discussion on the emerging themes, outcomes, and priorities. These workshops were designed to focus on specific sectors of stakeholders.
- The Strategy had been tasked to produce a new long-term vision for the county which was summarised in Slide 3. The vision would aim to achieve 'opportunities for all' which was about creating conditions in which employers would flourish, enabling job creation and opportunity for individuals to achieve their goals, and all within a 'Greener Gloucestershire'. Achieving a sustainable approach to economic growth.
- To support this long-term vision, the Strategy proposed to focus on the following four key propositions. These were detailed in the engagement document for public and stakeholder feedback:
 - Sustainable Growth (summarised on slide 4)
 - Inward Investment (summarised on slide 5)
 - Skills and Employment (summarised on slide 6)
 - Business Support (summarised on slide 7)
- Slides 8 & 9 detailed feedback from the engagement stages. More detail on this can also be found at section 4 of the report.
- Officers felt the engagement process had been successful and the feedback was currently being analysed to produce a first draft of the Strategy, with a view of a final draft being prepared by the end of December.

Questions

- 3.2 A member asked for more information on the reference to delivering green energy. It was advised that the Strategy would work to identify 'quick wins' in terms of the use of solar panels in new developments and giving thought to how the requirement could be incorporated into district local plans, for

example. There was also a need to consider energy resilience in the longer-term, for example, members were reminded of the Fusion Project bid at Berkeley that unfortunately GCC had been unsuccessful with but would continue to consider future opportunities.

- 3.3 It was confirmed that the Strategy would recognise and include driving social value through procurement, the principles of a circular economy, the economic benefit from nature (for example through the Local Nature Recovery Strategy) and the importance of the voluntary sector which drove a huge investment into the county each year and was often at the forefront of tackling economic difficulties in deprived areas.
- 3.4 Several members raised the importance of the agricultural sector for Gloucestershire and stressed the need to recognise its huge value to the county economically. It was acknowledged that this needed more emphasis in the Strategy as a lot of the engagement had been on future economic strengths rather than existing ones. A member emphasised that this should not only focus on the development of technology in moving towards sustainable food production, but also the on-farm aspects in terms of the transformation of farming techniques, soil regeneration, and biodiversity improvements etc. This also linked to making sure Gloucestershire accessed its fair share of national funding available to farmers (known as Countryside Stewardship schemes) to enhance the natural environment on their farms.
- 3.5 Officers offered reassurance that whilst the Golden Valley project was a major development for the county, the focus of Gloucestershire's economic strength was not solely on the cyber/communications sector. As well as the existing sectors such as agriculture already mentioned, there were broader opportunities that would benefit from the presence of GCHQ and the Golden Valley project which the Strategy would emphasise. It was known and remained that Gloucestershire's strength economically was due to its diversity of sectors.
- 3.6 It was clarified that the district councils would not be asked to sign up to this Strategy but had been completely engaged in its formation and would continue to be kept up to date on its development. It was added that the county's need to receive Community Infrastructure Levy payments from housing developers, via the district councils, remained vital to it delivering infrastructure and would be made very clear in the Strategy. GCC officers continued to actively engage with district councils on this issue and had started to see encouraging signs of progress.
- 3.7 A member raised concern at the relatively small number of responses to the engagement exercises and asked if GCC had spoken with schools and universities for young people's feedback. It was advised that officers felt they had gauged a good breadth of insight through the 3-stage engagement process. They would also take account of the feedback provided to the LEP when producing the draft LIS. It was acknowledged that it was sometimes harder to engage on longer-term, abstract issues where the individual impact

would be less clear, compared to the recent engagement on bus service changes for example. It was also confirmed that as part of the workshop process there was an event at Hartpury college which unfortunately was not well attended.

- 3.8 Officers acknowledged that the Strategy would not have all the answers to issues such as labour shortages for example, but it would be clear on its areas of focus. The Strategy would also require other agreements to continue such as the Gloucestershire Statement of Common Ground and its commitment to reviewing issues around spatial planning, for example.
- 3.9 It was advised that officers were currently working on the county's USP for the Strategy as it was a complex picture. There were two things that were unique to Gloucestershire: GCHQ and the Cotswolds as a tourism brand, and Gloucestershire's biggest sector remained advanced engineering and manufacturing, but as discussions had already identified today, focusing on those three things alone would exclude a whole list of other opportunities. Gloucestershire's strength economically was its diverse nature and therefore getting the right USP was a challenge.
- 3.10 In terms of metrics to measure progress of the Strategy, the team would work with colleagues in performance monitoring to identify the best way of doing this and the idea would be to create an annual report to show achievements and remaining challenges. It was confirmed that a suite of measures would be included to measure progress, not just against GDP. A member stressed that it was important not to focus completely on economic growth, at the expense of opportunities which benefited people and the environment.
- 3.11 The Cabinet Member for Environment, Cllr David Gray, agreed that they did not want to put economic growth on a pedestal at a detriment to everything else. There was need for a balanced approach that recognised the sensitivities around achieving growth in the right ways.
- 3.12 Officers advised that the delivery of 5G was outside of the council's remit and would depend on private investment for it to happen. It was something however that needed to be identified in the Strategy as having a robust 5G network in the county held a huge amount of opportunity. In terms of broadband, the Fastershire project was coming to an end and the next phase would be the Government run project, Gigabit. Councils were waiting on further information from Government about what their roles will be in this rollout.

4. PUBLIC TRANSPORT NETWORK REVIEW

- 4.1 The Chair invited Tom Main, Integrated Transport Manager, to present this item. Members noted the written report, and a short verbal summary was given. The following points were noted:

- Bus services in the country were still operating around a 20-30% reduction on passenger numbers compared to pre-pandemic which represented a significant drop in revenue and in addition to increased costs to delivering bus services (fuel and employment).
- In 2023, on reviewing the long-term forecast for bus services in Gloucestershire, officers raised concern around the feasibility of continuing to support the existing network in amongst these rising cost pressures.
- In response to similar concerns across the country, Government announced the Bus Service Improvement Plan+ grant. The funding was aimed at protecting the bus network, preventing local authorities from making inevitable cuts and giving the opportunity to invest in new and improved services.
- Officers worked with the bus operators to put together a package of measures to best utilise this funding which was approved by Cabinet in September. A copy of the Cabinet report forms part of today's report.
- The three areas of focus for the funding will be (further details are available in the report):
 - Enhancement of evening and weekend services (this came out as the number one priority from the public engagement and traffic pattern research).
 - Replacing services that were lost due to Stagecoach cuts earlier in the year.
 - Addressing the rural transport challenges.
- Now the proposal had been approved by Cabinet, the next phase was procurement.

Questions

- 4.2 Members were updated that the Enhanced Partnership agreement had been agreed between GCC and the bus operators which set a strategic direction for the county's bus services and areas to focus investment. The next step would be to establish the Enhanced Partnership Board and the stakeholder group which will be known as the Forum.
- 4.3 Due to the known recent issues with Stagecoach and other providers suffering from driver shortages and increased operational costs, officers were very aware that the biggest risk to mitigate was providers not coming forward to bid for these contracts. A lot of work had been done to raise awareness of the forthcoming contracts with operators, particularly with those who had been less engaged in previous years.
- 4.4 One of the sub-forums of the Enhanced Partnership will be a passenger experience working group which would look at ways to promote bus travel across the county, particularly on the BSIP+ supported routes which would need to prove to be commercially viable if they were to be sustained once the grant funding came to an end.

- 4.5 Members noted that details around the new geographic areas for the Robin would be shared in due course as officers were still in the modelling phase. It was noted that the aim of the Robin was not to provide a commercially viable service but to deliver the most cost-effective way to deliver transport in rural areas, giving the widest geographic access as possible, rather than a structured bus timetable.
- 4.6 In terms of reinstating routes that had been lost due to Stagecoach cuts, the plus side of them now becoming subsidised by the BSIP+ grant meant the Council had more control over their management. Officers welcomed any comments from members on routes where they think improvements could be made but officers would in first instance take a lead as the Transport Authority in reviewing and replacing routes as appropriate. It would be vital to have these routes in the best position possible of becoming commercially viable again.
- 4.7 In response to concerns from members about what the longer-term plan was once the grant funding came to an end in 2025, Cllr Phil Robinson, Cabinet Member for Bus Transport, reiterated to members that the approach taken to allocate the BSIP+ funding constituted longer-term thinking as the 21 improvements identified in the Cabinet paper, had been chosen with a view of them becoming commercially viable by 2025, and therefore at that point being procured out to commercial providers. Officers advised that the long-term future of the bus services was constantly being discussed.
- 4.8 Members raised concern about procuring contracts back out to Stagecoach where they had made cuts earlier in the year, and also taking opportunities away from the smaller, local operators who had stepped up in light of these cuts. These frustrations were acknowledged but noted that officers were required to analyse all bids received and ensure public funds were being spent in the most effective way. It was reiterated that the providers for these contracts would be under a lot more scrutiny as they would be being subsidised by public funds and appropriate action would be taken should similar issues arise of buses not turning up, for example, as seen earlier in the year.
- 4.9 Another concern was raised about whether the two-year subsidy funding for these identified routes was sufficient to encourage private operators to invest in new infrastructure on the network. This point was raised particularly in relation to electric vehicles. Officers confirmed that realistically, the 2-year subsidy being provided by the grant would not encourage a 7-year investment in a new vehicle from operators on these routes, but it may balance their risk and result in more investment on their commercially viable routes, for example. In addition, the Council were currently working on a bid for ZEBRA which was a national zero emission bus grant and were working with operators to identify routes to support their bid.

Minutes subject to their acceptance as a correct record at the next meeting

The Chair thanked members and officers for their attendance and input at this additional Joint Scrutiny meeting today.

CHAIR

Meeting concluded at 12.45pm.

For a full overview of this meeting, please use the following link to access the recording <https://gloucestershire.public-i.tv/core/portal/webcasts>