

Motherwell, 26 November 1998 at 2 pm.

A Meeting of the **ECONOMIC DEVELOPMENT COMMITTEE**

PRESENT

Councillor Curran, Convener; Councillor Connelly, Vice-Convener; Councillors Beekman, Brooks, Burns, Coyle, Craigie, Devine, Gray, Lunny, McLaughlin, G. Murray, Pentland, Robertson and Stocks.

CHAIR

Councillor Curran (Convener) presided.

IN ATTENDANCE

The Chief Committee Services Officer; Head of Economic Development and Property; Economic Development Manager, Policy Planning Manager and Accountant.

APOLOGIES

Councillors Cefferty, Lucas and Nolan.

DEPARTMENT OF PLANNING AND DEVELOPMENT (ECONOMIC DEVELOPMENT UNIT) - FINANCIAL MONITORING REPORT

1. There was submitted a report dated 9 November 1998 by the Director of Finance (1) setting out the position with regard to the spending levels of the Economic Development Unit within the Planning and Development Department for the period from 1 April to 11 October 1998; (2) providing an explanation of the more significant variances, and (3) presenting a projected outturn for the unit with details of significant variances.

Decided: that the report be noted.

LOCAL AGENDA 21 VIDEO - REMIT FROM PLANNING AND DEVELOPMENT COMMITTEE OF 18 NOVEMBER 1998

2. With reference to paragraph 15 of the Minute of the meeting of the Planning and Development Committee held on 18 November 1998, there was submitted a report by the Director of Planning and Development (1) informing Members of the recent video partly filmed in North Lanarkshire illustrating sustainable development activity carried out by the Council and its partners as part of Local Agenda 21; (2) indicating that it had been remitted to this Committee relative to the impact on the environment of Economic Development; (3) advising that a copy of the video had been placed in the Local Government Library for the use of Members, and (4) recommending that the Committee note the report.

Decided:

- (1) that it be noted that a copy of the video had been placed in the Local Government Library for the use of Members;

- (2) that the Director of Planning and Development arrange for the video to be made available for showing in the Council Chambers prior to the next meeting of the Council, and
- (3) that the report be otherwise noted.

UNEMPLOYMENT FIGURES TO SEPTEMBER 1998

3. There was submitted report dated 26 November 1998 by the Chief Executive (1) advising of the current unemployment position in North Lanarkshire, and (2) providing an analysis of unemployment figures at three different geographical levels.

Decided: that the report be noted.

NORTH LANARKSHIRE BUSINESS DIRECTORY: EVALUATION

4. There was submitted a report (docketed) dated 26 November 1998 by the Director of Planning and Development (1) advising that since the launch of the North Lanarkshire Business Directory in June 1997 it had regularly been requested by companies located either in North Lanarkshire or outwith the area, with the latter being charged £10 per copy; (2) advising that prior to the production of the second edition an evaluation study had been carried out by Forgewood Market Research (FMC), with a 20% random sample of companies being contacted; (3) detailing the findings of the evaluation, which were generally positive; (4) advising that the cost of the evaluation study was £724, and (5) that the results of the survey would be used to develop future editions of the Directory.

Decided: that the report be noted.

STUDY ON THE IMPACT OF FARMING IN LANARKSHIRE - UPDATE

5. With reference to paragraph 21 of the Minute of the meeting of this Committee held on 27 August 1998, there was submitted report (docketed) dated 26 November 1998 by the Director of Planning and Development (1) advising that Lanarkshire Development Agency had declined to fund in full an impact study of the farming industry in Lanarkshire and that they would no longer meet the total cost of the project, which is £13,950 (exclusive of VAT); (2) intimating that the Council has been approached to make a contribution of £4,300 towards the project cost, with the remainder being funded from National Farmers Union, South Lanarkshire Council and Lanarkshire Development Agency, and (3) attaching, as an appendix to the report, a copy of the revised study brief which would be carried out by Scottish Agricultural College.

Decided:

- (1) that a contribution of £4,300 towards the total cost of the project, to be funded from existing resources, be approved, and
- (2) that the report be noted.

LANARKSHIRE ON-LINE BUSINESS DIRECTORY

6. There was submitted a report dated 26 November 1998 by the Director of Planning and Development (1) seeking agreement to contribute to the production of an internet-based on-line version of a Lanarkshire Business Directory which would be produced in partnership with South Lanarkshire
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Council and the Lanarkshire Development Agency; (2) advising that an internet-based version would assist in the development of the Business Directory and increase its current audience; (3) intimating that the Lanarkshire on-line Business Directory would be based on the existing on-line version of the South Lanarkshire Business Directory and would combine both Councils' business listings databases, containing approximately 5,800 Lanarkshire businesses of which 3,300 would be based in North Lanarkshire; (4) advising that the new on-line version would also incorporate an on-screen feedback form for comments and business detail changes; (5) detailing the cost of the on-line Business Directory which would amount to £3,525 for the redesign works and £1,900 for the development work required to produce a map search facility, and (6) outlining projected income and expenditure figures (exclusive of VAT) for the project.

Decided:

- (1) that the development of an internet based on-line version of the Business Directory be approved;
- (2) that a contribution of no more than £3,000 towards the total cost of developing this project, to be funded from existing resources, be approved;
- (3) that a further report be submitted to the Committee providing an update on the progress of this project, and
- (4) that the report be otherwise noted.

NORTH LANARKSHIRE BUSINESS LOANS FUND (NLBLF) - APPROVALS UNDER DELEGATED AUTHORITIES

7. With reference to paragraph 12 of the Minute of the meeting of this Committee held on 27 August 1998, there was submitted a report (docketed) dated 26 November 1998 by the Director of Planning and Development providing details of applications received and approved under delegated authority in terms of the Council's Business Loans Fund Scheme during the period from 1 July to 30 September 1998.

Decided: that the report be noted.

BUSINESS FOCUS: RE-DESIGN

8. With reference to paragraph 7 of the Minute of the meeting of this Committee held on 23 April 1998, there was submitted a report dated 26 November 1998 by the Director of Planning and Development advising that (1) the Business Focus publication had been re-designed following the evaluation survey in February of this year; (2) the new design had been launched in the 1998 October issue (number 24); (3) that the new publication incorporated environmentally friendly materials, and (4) that initial consultation from readers was positive.

Decided:

- (1) that Members be encouraged to forward any comments they may have on the new design to the Director of Planning and Department and his editorial team, and
- (2) that the report be noted.

ENQUIRY HANDLING SYSTEM

9. With reference to paragraph 17 of the Minute of the meeting of this Committee held on 4 June 1998, there was submitted a report dated 26 November 1998 by the Director of Planning and Development (1) summarising the current position with regard to the logging of enquiries received by the Department's Economic Development Unit for each of its services; (2) outlining the number of enquiries received by the Unit for training and business development schemes during the quarters from April to June 1998 and July to September 1998; (3) providing a summary of enquiries for training and business development programmes during 1996/97, 1997/98 and 1998/99; (4) detailing reasons which had resulted in a reduction in the number of enquiries to date, and (5) outlining proposed future developments of the enquiry handling system.

Decided: that the report be noted.

INFORMATION TECHNOLOGY CENTRE AND SKILLSTART INTO BUSINESS PROGRAMME - RE-ALLOCATION OF IT EQUIPMENT

10. There was submitted a report (docketed) dated 26 November 1998 by the Director of Planning and Development (1) referring to the Skillstart into Business programme and the Information Technology Centre which had been delivered on behalf of the Council by the former Motherwell Enterprise Development Company (MEDCO); (2) advising that these projects had terminated following the liquidation of MEDCO; (3) listing, as an appendix to the report various items of IT equipment, together with proposals for their re-allocation, and (4) intimating that the legal agreements are currently being prepared to safeguard the Council's position in relation to the allocation of this equipment to projects.

Decided:

- (1) that the re-allocation of Information Technology equipment, previously utilised by the former Skillstart into Business/Information Technology Centre, by the Director of Planning and Development, as detailed in the appendix to the report, be approved, and
- (2) that the report be otherwise noted.

TRAINING RESOURCE BANK

11. With reference to paragraph 7 of the Minute of the meeting of this Committee held on 24 April 1997, there was submitted a report (docketed) dated 26 November 1998 by the Director of Planning and Development (1) advising that the allocation of Training Resource Bank funding for this financial year is £72,615; (2) recommending (a) that £15,000 be spent on new/upgraded computer and other information technology equipment to provide training programmes in information and communications technology, and (b) that the remainder be used to assist successful bidders for training programmes, which would be restricted to a maximum of £10,000 per bid, except where exceptional circumstances prevailed; (3) detailing the selection criteria for bids, and (4) advising that successful applicants would be required to agree to specific conditions of award and would require to work in partnership with the Summerlee Training Resource Unit who would be responsible for the development and management of the projects.

Decided: that the recommendations of the report be approved.

IMPACT OF INWARD INVESTMENT ON THE LANARKSHIRE LABOUR MARKET

12. There was submitted a report (docketed) dated 26 November 1998 by the Director of Planning and Development (1) summarising the conclusions reached by Cambridge Policy Consultants who had been commissioned to examine the issues concerning the Lanarkshire Labour Market and Inward Investment into Lanarkshire over the last few years, and (2) attaching as an appendix to the report a summary of the conclusions.

Decided: that the report be noted.

LADY ANNE TRAINING CENTRE

- C** 13. With reference to paragraph 11 of the minute of the meeting of this Committee held on 8 October 1998, when the Committee had noted that the tenders received for the capital work necessary for the Lady Anne Training Centre project were at higher figures than had been anticipated and that, with regard to the portion of the costs to be met from the European Regional Development Fund, a further report required to be submitted to the Resider Committee explaining the increase in costs and detailing ways in which this might be dealt with, there was submitted a report (docketed) dated 26 November 1998 by the Director of Planning and Development (1) advising that the Resider Committee, at its meeting on 6 November 1998, had been informed that the increase in cost could be tackled by leaving out certain elements of the project - principally the lettable workshops - and that it appeared that this proposal would be acceptable to the Resider Committee; (2) intimating that the Resider Committee have now issued a provisional decision which requires (a) the Council to confirm that it is prepared to continue to support financially, both in terms of capital and in terms of revenue, the Lady Anne project and to confirm that the offers of co-funding from the Lanarkshire Development Agency are still in place; (b) a revised Resider application to be submitted to the Strathclyde European Partnership by 30 November 1998, and (c) the Council to confirm that Coatbridge College have agreed to take a lease of a substantial part of the development; (3) indicating that, through the omission of workshop units, revising the specification and deletion of sundry works relating to the administration block/nursery and reduction in hard and soft landscape provision and deletion of other sundry works, the capital costs of the project, in terms of the lowest tender, being that submitted by J.B. Bennett (Contracts) Limited in the sum of £1,006,502.03, could be reduced to the sum of £770,000; (4) informing the Committee that negotiations with Coatbridge College regarding the lease by the College of part of the premises are at an advanced stage and that it is anticipated that a decision by the College will be reached and can be intimated to the Resider Committee at its meeting on 3 December; (5) proposing that the approved economic development capital programme for 1998/99 be revised as detailed in the appendix to the report to reallocate to the project resources currently allocated to other projects and, in part, to substitute for capital expenditure scheduled to be incurred in the financial year 1998/99, capital expenditure to be incurred in the financial year 1999/2000; (6) further stating that the extent to which this project will have revenue implications for the Council is dependent on a number of factors including the terms of the lease to Coatbridge College and the letting of other portions of the premises but that, on the basis of current calculations, the revenue implications for the Council are

1999/2000 - £22,000
2001/2002 - £20,000
2002/2003 - £33,000
2003/2004 - £30,000

and that those costs will be discussed in the context of current budget considerations; (7) confirming that, if the Council is willing to realign the capital budgets as proposed in the report, sufficient capital resources will be available to proceed with this project and that the Council's assurances on capital and revenue implications should be sufficient to allow the Strathclyde European Partnership to approve both capital and revenue contributions to this project, and (8) recommending that the tender submitted by J.B. Bennett (Contracts) Limited in the sum of £1,006,502.03 be accepted subject to reducing the works to an expenditure limit of £770,000 and subject also to the project being approved

for support from the Strathclyde European Partnership, to a satisfactory lease with Coatbridge College being concluded and to confirmation of the contribution from the Lanarkshire Development Agency.

Arising therefrom the Head of Economic Development and Property advised the Committee, orally, that certain of the works proposed in the report to be excluded from the project required to be reinstated thus increasing the capital costs from £770,000 to £903,000 and that the revenue figures detailed in the report required to be amended to the following

1999/2000 - £30,000
2001/2002 - £29,000
2002/2003 - £42,000
2003/2004 - £42,647

Decided:

- (1) that the Committee, for its interest, recommend the realignment of the capital budget and the revenue expenditure relating to the Lady Anne Training Centre project as detailed in the report and as subsequently varied in terms of the oral advice by the Head of Economic Development and Property and agree that the matter be remitted to the Finance and Policy and Resources Committees for consideration, and
- (2) that the Committee, for its interest, agree that the tender submitted by J.B. Bennett (Contracts) Limited be accepted subject to variation of the works to delete the amount of the tender to an expenditure limit of £903,000 and subject also to the project being approved for support from the Strathclyde European Partnership, to a satisfactory lease being concluded with Coatbridge College and to confirmation of a satisfactory contribution from Lanarkshire Development Agency.

RESPONSE TO LARGE SCALE REDUNDANCIES

14. There was submitted a report (docketed) dated 26 November 1998 by the Director of Planning and Development (1) updating the Committee on the response of North Lanarkshire Council to large scale redundancies since the establishment of the Council protocol for dealing with large scale redundancies in June 1998; (2) advising that since the inception of the protocol there has been a steady stream of announcements of redundancies by a number of North Lanarkshire based companies all of which have received, in line with the protocol, a supportive package for the affected workforce, and (3) intimating that the result of this has increased the workload on the two departments involved, namely the Department of Social Work and the Department of Planning and Development (Economic Development Unit).

Decided:

- (1) that the contents of the report be noted, and
- (2) that a further report be submitted to Committee on the evaluation of the current service provided.

NORTH LANARKSHIRE CCTV LIMITED

15. With reference to paragraph 4 of the Minute of the meeting of this Committee held on 23 April 1998, there was submitted a report (docketed) dated 3 November 1998 by the Director of Planning and Development (1) updating Members on the progress made to date in developing CCTV in North Lanarkshire following the incorporation of North Lanarkshire CCTV Limited; (2) providing details of

the current systems in place in Airdrie, Coatbridge, Motherwell and Wishaw; (3) recording incidents logged on the system; (4) providing details of financial operations of North Lanarkshire CCTV Ltd, and (5) outlining future system developments in North Lanarkshire.

The Head of Economic Development and Property referred to the income and expenditure figures detailed in the Appendix arising from which it was noted that the reference to VAT registration should in fact read £30,000 and consequently the shortfall projection for the first year should read £19,200.

Decided:

- (1) that it be noted that the reference to VAT registration should now read £30,000 and that the first year projected shortfall will now be £19,200.
- (2) that the report be otherwise noted.

BELLSHILL COMMERCIAL IMPROVEMENT AREA

16. With reference to paragraph 4 of the Minute of the meeting of this Committee held on 4 June 1998, there was submitted a report (docketed) dated 26 November 1998 by the Director of Planning and Development (1) providing an update on the progress of the Bellshill Commercial Improvement Area Grant Scheme; (2) detailing in an Appendix to the report grants awarded and applications being processed in the current financial year from the approved budget of £300,000, and (3) advising that although the budget had been allocated in full, one applicant, Killylane Properties had now indicated that they would not be proceeding with an application thereby releasing approximately £27,000.

Decided: that the report be approved.

MOTHERWELL BUSINESS ADVICE CENTRE

17. With reference to paragraph 23 of the Minute of the meeting of this Committee held on 8 October 1998, there was submitted a report (docketed) dated 26 November 1998 by the Director of Planning and Development (1) advising that following the demise of Motherwell Enterprise Development Company business support services have been delivered by a task force comprising staff from the former Company, other development companies, North Lanarkshire Council and consultants employed by the Lanarkshire Development Agency; (2) proposing that future business support service be provided by way of an outreach project under the management of the Council with the Council acting as direct employer of project staff; (3) recommending that initially a two year contract will be entered into between the Council and the Lanarkshire Development Agency, with an 18 month appraisal being carried out by the Lanarkshire Development Agency in relation to performance and cost effectiveness; (4) advising that the project core costs will be funded by North Lanarkshire Council and the Lanarkshire Development Agency, with the estimated costs being £344,410 for the first year including start up costs of which the Council would contribute £30,000; (5) proposing that staff be issued with contracts for the duration of the project, with the Personnel Services Division of the Department of Administration preparing job descriptions and management arrangements; (6) outlining the staffing levels for the project; (7) detailing the management and monitoring arrangements, and (8) advising that the Lanarkshire Development Agency were considering a range of delivery options of which this was one.

Decided:

- (1) that approval be given to establishing the Motherwell Business Support Project for a 2 year period at a total cost of no more than £344,410 for the 1999/2000 period;

- (2) that the Council contribute £30,000 to the total cost, the balance of £314,410 will be funded by the Lanarkshire Development Agency in return for the delivery of services as agreed in the contract exchanged between the two organisations;
- (3) that following consultation between the Director of Planning and Development and the Director of Administration of all outstanding personnel and contractual issues in respect of this arrangement final report be submitted for approval to this Committee;
- (4) that the foregoing recommendations be supported as the basis for negotiations with Lanarkshire Development Agency for the provision of Business Support in the Southern area of North Lanarkshire, and
- (5) that the matter be referred to the Personnel Services Committee.

MANAGEMENT AND TECHNOLOGY TRAINING GRANT 1999

18. **C** With reference to paragraph 33 of the Minute of the meeting of this Committee held on 27 November 1997, there was submitted a report (docketed) dated 26 November 1998 by the Director of Planning and Development with regard to the organisation and future delivery of the Management and Technology Training Grant Scheme for 1999 and proposing (1) revised administrative arrangements for the management of the Scheme; (2) requesting that authority be delegated to the Director of Planning and Development and other designated members of staff as detailed in the report in relation to determination of applications, and (3) providing details of the eligibility criteria.

Decided:

- (1) that the proposed administrative arrangements as detailed in the report be approved;
- (2) that the operational guidelines for 1999 be approved, and
- (3) that progress reports be submitted to the Committee on a quarterly basis.

EMPLOYMENT GRANTS SCHEME - 1999 PROGRAMME

19. With reference to paragraph 32 of the Minute of the meeting of this Committee held on 27 November 1997, there was submitted a report (docketed) dated 26 November 1998 by the Director of Planning and Development with regard to the development and future delivery of the Employment Grants Scheme for 1999/2000 (1) proposing an initial budget contribution by the Council of £222,150 for the period from 1 April 1999 to 31 March 2000 subject to funding being made available in terms of the Council's budget process; (2) indicating that this would lever £180,000 in European funding assistance for the Scheme and which would accrue gross expenditure of £402,150, and (3) recommending other minor amendments to the administrative arrangements/operational guidelines.

Decided:

- (1) that approval be given to a budget allocation of £222,150, subject to funding being made available, and
- (2) that the proposed amendments to the organisational arrangements for the Scheme for 1999 be approved.

PROPOSED REVIEW OF SERVICES ASSISTING UNEMPLOYED PEOPLE INTO WORK

20. With reference to paragraph 41 of the Minute of the meeting of the Policy and Resources Committee held on 8 September 1998 there was submitted a report (docketed) dated 21 August 1998 by the Chief Executive (1) advising that as part of the preparatory work by the New Deal Strategic Partnership in Lanarkshire in the run up to the implementation of the New Deal for 18-24 year olds, a stocktake had been undertaken, to audit the range of organisations and services in place which assist unemployed people into work; (2) detailing the results of the exercise; (3) recommending that external consultants be engaged to assist in the development of the range of services for unemployed people in Lanarkshire; (4) intimating that the study will be taken forward by North and South Lanarkshire Councils, Lanarkshire Development Agency and the Employment Service; and (5) advising that it has been estimated that the cost of the study will be in the region of £25,000 with a proposed contribution of £5,000 from North Lanarkshire Council.

Decided:

- (1) that it be noted that the Council had agreed that a contribution of £5,000 be made towards the cost of the study from within the Chief Executive's Revenue Budget;
- (2) that a further report on the results of the study will be submitted to Committee in due course, and
- (3) that the report be otherwise noted.

YOUTH EMPLOYMENT AND TRAINING INITIATIVE (YETI) 1999

21. With reference to paragraph 35 of the Minute of the meeting of this Committee held on 27 November 1997, there was submitted a report (docketed) dated 26 November 1998 by the Director of Planning and Development with regard to the development and future delivery of the Youth Employment and Training Initiative during 1999 and recommending a minimum hourly rate of £3.00 for recruits aged between 18 and 21 years and £3.60 for recruits aged over 22 years.

Decided:

- (1) that the introduction for the 1999 programme of a minimum hourly rate of £3.00 for recruits between the ages of 18 and 22 and £3.60 for recruits aged 22 and over be approved;
- (2) that the operational procedures for the Youth Employment and Training Initiative for the 1999 programme be approved, and
- (3) that the report be otherwise noted.

MANAGEMENT AND TECHNOLOGY TRAINING GRANT (MTTG) SCHEME 1998 - SIX MONTH MONITORING REPORT

22. There was submitted a report dated 26 November 1998 by the Director of Planning and Development providing details of applications received and considered under the Council's Management and Technology Training Grant (MTTG) Scheme during the period from 1 April to 30 September 1998.

Decided: that the report be noted.

BUSINESS/TRAINING ASSISTANCE PROGRAMMES - QUARTERLY REPORTS

(1) TRAINING ASSISTANCE GRANT SCHEME

23. With reference to paragraph 21 of the Minute of the meeting of this Committee held on 4 June 1998, there was submitted a report dated 26 November 1998 by the Director of Planning and Development providing details of applications received and approved under the Council's Training Assistance Grant Scheme during the quarter from 1 July to 30 September 1998.

Decided:

- (1) that the contents of the report be noted, and
- (2) that, in future, reports be submitted to Committee on a quarterly basis.

(2) BOOST FOR BUSINESS START-UP

24. With reference to paragraph 33 of the Minute of the meeting of this Committee held on 27 August 1998, there was submitted a report dated 26 November 1998 by the Director of Planning and Development providing details of applications received and considered under the Council's Boost for Business Start-Up Scheme during the quarter from 1 July to 30 September 1998.

Decided: that the report be noted.

(3) SMALL BUSINESS SUPPORT SCHEME

25. With reference to paragraph 31 of the Minute of the meeting of this Committee held on 27 August 1998, there was submitted a report dated 26 November 1998 by the Director of Planning and Development providing details of applications received and considered under the Council's Small Business Support Scheme during the period from 1 July to 30 September 1998.

Decided: that the report be noted.

(4) EMPLOYMENT GRANTS SCHEME

26. With reference to paragraph 32 of the Minute of the meeting of this Committee held on 27 August 1998, there was submitted a report dated 26 November 1998 by the Director of Planning and Development providing details of applications received and considered under the Council's Employment Grant Scheme during the quarter from 1 July to 30 September 1998.

Decided: that the report be noted.