

Motherwell, 7 February 2019 at 2 pm.

A Meeting of the **ENTERPRISE AND GROWTH COMMITTEE**

PRESENT

Councillor Graham, Convener; Councillor Carson, Vice-Convener; Councillors Anderson, Baird, Cameron, Carragher, Curran, Di Mascio, Duffy, Fisher, Gallacher, Gourlay, Hume, Kelly, Lennon, Masterton, McPake, H. McVey, Roarty, Stephen, Stevenson and Watson.

ALSO PRESENT

In terms of Standing Order 64(A) Councillor Kerr attended as substitute for Councillor Larson.

CHAIR

Councillor Graham (Convener) presided.

IN ATTENDANCE

The Executive Director (Enterprise and Communities); Head of Housing Programme; Head of Enterprise and Place; Head of Communities; Head of Asset and Procurement Solutions; Head of Business Solutions; Employability Resources Manager, and Democratic Services Manager.

APOLOGIES

D. Ashraf and Larson.

DECLARATIONS OF INTEREST IN TERMS OF THE ETHICAL STANDARDS IN PUBLIC LIFE ETC. (SCOTLAND) ACT 2000

1. Councillor Carson, by virtue of her membership of Routes to Work, declared an interest in paragraph 2 and left the meeting during consideration of this item.

Councillor Lennon, by virtue of his membership of North Lanarkshire Properties LLP, declared an interest in paragraph 9 and left the meeting during consideration of this item.

Councillor Di Mascio, during consideration of business detailed at Paragraph 9, by virtue of his membership of North Lanarkshire Properties LLP, declared an interest in paragraph 9 and took no part in the consideration thereof.

Councillor Carson, prior to consideration of the following item of business, declared an interest by virtue of her membership of Routes to Work, took no part in the determination of the item and left the meeting for that item.

EMPLOYABILITY - EU FUNDS

2. There was submitted a report by the Head of Communities seeking approval of the grant offer, made by the Scottish Government, for EU funded employability programmes (1) informing the Committee that the Council is the Lead Partner in the EU funded Prospects employability programmes with the first programme – "Prospects for Youth" – being aimed at 16-29 year olds, which had run until September 2018 and was a one-off programme introduced by the EU in response to high youth unemployment whilst the second programme – "Prospects for You" was aimed at those 30 years of

age and over and had run until December 2018; (2) explaining that, as planned, the "Prospects for You" programme had converted to an all age programme in October 2018 with subsequent increases in targets and expenditure, and that, in line with the Scottish Government's request, the Council had submitted an extension request for this programme which would take into account underspend in the current programme as well as securing for the Council EU funding allocated to it prior to the EU Referendum, with an end date of December 2022; (3) outlining the performance of the Prospects programme for the period 2016-2018 and advising that the programme was on track to meet its job outcome targets and figures; (4) detailing that the delivery partners are the Council's own Employability Team, the Community Learning and Development Employability and Learning Hubs, Routes to Work Limited and five local Third Sector organisations amongst other partners, including Job Centre Plus, New College Lanarkshire and Skills Development Scotland; (5) providing information on the financial position of the Prospects programme for the period 2016-2018; (6) highlighting that the proposed extension would allow the Council to roll its current employability provision into 2019 without a hiatus in terms of funding within its current delivery structure, however, there would be a number of potential changes to local employability provision which would be integrated into future delivery in due course and this includes the outcome of the current review of employability within the Council and the outcome of the Fairness Commission's recommendations being implemented, together with a Best Value Review of the Council's ALEO, Routes to Work Limited, which will report in September 2019, and (7) summarising a number of other pilot activities which could be integrated into the programme should it be extended.

A verbal update was provided by the Head of Communities confirming that the extension had been formally approved by the Scottish Ministers.

Decided:

- (1) that the contents of the report be noted, and
- (2) that the acceptance of the grant offer for EU funded employability programmes be approved.

2019/20 VACANT AND DERELICT LAND FUND

3. There was submitted a report by the Head of Housing Programme seeking approval of the project proposals outlined in North Lanarkshire's 2019/20 Vacant and Derelict Land Fund Local Delivery Plan submission (1) explaining that the Vacant and Derelict Land Fund (VDLF) is a ringfenced capital grant allocation providing financial support from the Scottish Government to assist with the regeneration of registered vacant and derelict land sites across selected local authority areas; (2) detailing that subject to the approval of the proposed 2019/20 Scottish Budget, the Council had been awarded £2,886,000 VDLF funding for spend in 2019/20 and would be subject to the Scottish Government's approval of a 2019/20 Local Development Plan (LDP) for North Lanarkshire, with the deadline for submission of this bid being 31 January 2019; (3) outlining a number of project proposals and VDLF allocation submitted as part of North Lanarkshire 2019/20 LDP, particularly (a) Ravenscraig Civic Green Space as approved by the former Enterprise and Housing Committee in November 2018 at £1.2m; (b) Business in Industry where £1.4m of VDLF funding has been sought to enable the redevelopment of vacant and derelict land for new business use and to promote private sector investment opportunities, and (c) Community Allotments where £286,000 of available funding has been sought to develop a new Community Allotments Scheme, and (4) informing the Committee that most of the projects supported through the Council's VDLF programmes have been developed to secure commercial returns and/or be managed through a third party, including ALEOs and Community Groups, and, as such, these projects in general have limited revenue implications for the Council, however, whilst the development of Ravenscraig Civic Green Space forms an important part of the masterplan for the strategic regeneration site, the management of this asset would have ongoing revenue implications for the Council.

Decided:

- (1) that the 2019/20 VDLF allocation made to North Lanarkshire as part of the proposed 2019/20 Scottish Budget be noted, and
- (2) that the project proposals outlined in North Lanarkshire's 2019/20 VDLF LDP submission, as detailed in Section 2 of the report, be approved.

UPDATE ON POTENTIAL HIGH SPEED RAIL IN NORTH LANARKSHIRE

4. There was submitted a report by the Head of Housing Programme providing an update on the Council's work to understand the impact of a potential high speed rail connection in North Lanarkshire (1) informing the Committee that following work by the UK and Scottish Governments in 2016 to identify options for improvements in the east and west coast rail corridors to deliver three hour journeys between Scotland and London, the First Minister had announced in November 2017 that Transport Scotland would be commissioning studies and further analysis to understand the cost benefits, environmental impacts and technical considerations for the work required in Scotland and to consider the number of route options connecting Glasgow and Edinburgh to London to meet the broader transport objectives of increasing network capacity and shortening long distance times; (2) intimating that one of the routes crosses the Eurocentral and Mossend rail head sites with the potential for a station at Eurocentral having a connection to a commuter line running north-south from Coatbridge to Motherwell and could offer additional connectivity and economic benefits to a wide area of Central Scotland; (3) reporting that such an infrastructure project would have the potential to provide significant impacts on residents, communities, towns and businesses across North Lanarkshire, the Glasgow City Region and the Central Belt more widely, and Transport Scotland's appraisal would consider the benefits of the wider rail project, which is expected to secure support from across the region and nationally, however, this appraisal will not provide the understanding of the impacts at a local level and how North Lanarkshire might best respond to ensure any benefits are realised and negative impacts mitigated; (4) reminding the Committee that the former Enterprise and Housing Committee at its meeting in February 2018 had appointed a multi-disciplinary external consultancy team, with expertise in a number of areas, which would be responsible for undertaking an Economic Impact Assessment of a potential parkway station at Eurocentral which would be used to help support the Council to understand the opportunity and impact for North Lanarkshire residents and businesses, inform the developing vision for North Lanarkshire on how rail could contribute to this and to understand how the Council and its partners could, and should, respond to secure, and maximise, the benefits and this report would also inform the development of the Council's Economic Regeneration Delivery Plan (ERDP); (5) reporting that the work of the Group will take place during late December 2018 to April 2019 and be able to progress alongside and inform Transport Scotland's appraisal, and (6) advising that a communication strategy would be developed as part of the Economic Impact Assessment works commissioned by the Council in order to help consider how engagement is managed.

Decided:

- (1) that the contents of the report, including the scope and programme for the work, be noted, and
- (2) that the status of the rail project generally, and the support required to promote and secure such investment should its impact be considered positive, be noted.

PROPOSED CLOSURE OF HMRC OFFICE IN CUMBERNAULD

5. There was submitted a report by the Head of Enterprise and Place presenting a report summarising the key survey results of the Economic Impact Assessment which has now been agreed with the Public and Commercial Services (PCS) Union as attached to the report (1) reminding the Committee
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that, in November 2015, HMRC announced plans to close a number of offices across the UK and replace them with 13 regional centres and that as part of this plan HMRC is proposing to close the Cumbernauld Office and relocate staff to a new regional centre at a site identified in Glasgow City Centre; (2) intimating that should the Cumbernauld HMRC Office be closed, it is considered that the loss of such a large number of jobs being based within the town may have a major impact on the local community and would affect footfall in the town centre causing a wider economic impact together with the fact that the closure would result in the large office site within Cumbernauld becoming vacant; (3) reporting that an initial meeting was held at the end of November 2017 with the PCS Union representatives and officers to discuss the proposed closure and that following this meeting a questionnaire was designed by staff in the former Enterprise and Place Service and approved by PCS which, when submitted, had been completed by 712 HMRC employees providing a 72% response rate of PCS members in the Cumbernauld Office, equating to 55% of total employees; (4) providing a summary of the analysis obtained from the responses provided to the survey and reporting on conclusions reached based on those findings relating to the impact on individuals and Cumbernauld; (5) informing the Committee that a further meeting was held on 7 November 2018 at which PCS representatives raised the possibility of further assistance from the Council to help raise awareness of the proposed closure and the wide ranging impacts that this would have on the workforce and Cumbernauld, and (6) attaching, as an Appendix to the report, the Economic Impact Assessment of the proposed Cumbernauld Tax Office closure.

Decided:

- (1) that the report, and the Appendix to the report, be noted, and
- (2) that further actions to support the PCS Union to raise awareness of the implications to the proposed closure be approved.

HEALTHCARE ENVIRONMENTAL SERVICES – UPDATE

6. There was submitted a report by the Head of Communities providing information on the response provided by the Council and its partners in the immediate aftermath of the closure of Healthcare Environmental Services and outlining future support planned (1) informing the Committee that Healthcare Environmental Services Limited had been based in Shotts for 23 years and had become one of the main contractors with NHS Scotland and NHS England in relation to the disposal of clinical waste; (2) confirming that in September and October 2018 the Environment Agency in England and the Scottish Environmental Protection Agency issued enforcement notices related to the storage of clinical waste which had the consequence of the Company losing its contracts with NHS Trusts in England and with NHS Scotland and subsequently a letter was issued by the Company dated 27 December 2018 to all staff containing a Notice of Redundancy and informing them that they would not be paid their final salary; (3) outlining actions undertaken by the Council and other public sector organisations in order to provide free and impartial advice and support to employees at risk of redundancy; (4) advising that one of the actions undertaken was an event held on 3 January 2019 at which around 80 people attended, mainly North Lanarkshire residents from across the area, together with officers from the Council and representatives of Job Centre Plus, Skills Development Scotland, Recruitment Agencies and a Salvation Army employability worker with a range of support available at the meeting for attendees; (5) reporting that a similar event was held on 4 January 2019, however, less than ten people attended on that day; (6) reporting on feedback received from those attending, and (7) advising that in order to ensure that all staff affected were supported, an engagement campaign had been launched via North Lanarkshire's Working social media and linked to the Community Council and Salvation Army to ensure that all former employees were aware of the support available to them from partners in conjunction with the Council's own Communication Team.

Decided: that the contents of the report be noted.

BUSINESS GATEWAY CONTRACT EXTENSION

7. There was submitted a report by the Head of Enterprise and Place providing an update on performance of the Council's Business Gateway Service and advising on the extension of the current contract for a further 12 month period (1) informing the Committee that Business Gateway is a publicly funded service that provides free business support and impartial advice for start-up and existing businesses based in Scotland, with the overarching aim to support business growth with a view to delivering employment and economic growth in the Scottish economy; (2) advising that in Lanarkshire, North Lanarkshire Council is the Lead Authority and manages the delivery of Business Gateway services across both North and South Lanarkshire with the service being outsourced and delivered by a third party contractor, Lanarkshire Enterprise Services Limited (LESL), which had been awarded the contract in March 2017 following a competitive procurement process, with the contract being for an initial 25 month period to 31 March 2019 with an option to extend the contract for a further two periods of 12 months and 11 months respectively; (3) reporting that the current contract with LESL was nearing the end of the initial 25 month period and that at its meeting on 21 November 2018 the Business Gateway Steering Group had agreed to extend the contract for a further 12 month period to March 2020, with the position to be re-assessed again late in 2019, when an informed decision would be made as to whether the contract would be extended for a final 11 months until 28 February 2021; (4) providing a summary of the performance of Business Gateway for (a) 13 months to 31 March 2018, and (b) the seven months up to 31 October 2018, and (5) reporting that the total value of the current contract over the four year period was £5,528,821 with funding (ERDF) being fully provided by the Scottish Government through the Council's Revenue Support Grant and Lanarkshire Business Gateway and supplemented by European Regional Development funding for which an application will be submitted to the Scottish Government to extend the current funding programme up to March 2023 with additional ERDF funding being sought of £1,475,673.

Decided: that the contents of the report be noted.

CONTRACTS AWARDED BELOW COMMITTEE APPROVAL THRESHOLD

8. There was submitted a report by the Head of Asset and Procurement Solutions setting out those contracts awarded with a value below the financial threshold and requiring Committee approval.

Decided: that the contents of the report and the accompanying Appendix, detailing those contracts awarded with a value below the financial threshold and requiring Committee approval, be noted.

Councillor Lennon, prior to consideration of the following item of business, declared an interest by virtue of his membership of North Lanarkshire Properties LLP, took no part in the determination of the item and left the meeting for that item.

Councillor Di Mascio, prior to and during consideration of the following item of business, declared an interest by virtue of his membership of North Lanarkshire Properties LLP and took no part in the determination of the item.

NORTH LANARKSHIRE PROPERTIES LLP - 2018/19 PERFORMANCE INDICATORS: 21 JULY TO 12 OCTOBER 2018 AND FINANCIAL PERFORMANCE AS AT 12 OCTOBER 2018 (PERIOD 7)

9. There was submitted a report by the Head of Business Solutions providing details of North Lanarkshire Properties LLP's (NLP LLP) performance from 12 July to 12 October 2018 and providing an update on achievements the organisation had delivered in 2018/19.

Decided:

- (1) that NLP LLP's operational performance against its 2018/19 targets for the period 21 July to 12 October 2018 be noted;
- (2) that NLP LLP's financial performance as at Period 7 ending on 12 October 2018 be noted, and
- (3) that, otherwise, the contents of the report be noted.

ROUTES TO WORK LIMITED: 2018/19 QUARTER 1 AND QUARTER 2 OPERATIONAL PERFORMANCE AND FINANCIAL PERFORMANCE AS AT 30 SEPTEMBER 2018

10. There was submitted a report by the Head of Business Solutions outlining Routes to Work Limited's (RtW) performance against its charitable objectives and Council priorities for Quarter 1 and Quarter 2 of 2018/19, as well as financial performance as at 30 September 2018, and providing commentary in respect of the charity's governance arrangements to provide assurance that Council obligations were being satisfied.

Decided:

- (1) that RtW's operational performance for Quarter 1 and Quarter 2 of 2018/19, along with wider achievements during that period, be noted;
- (2) that RtW's financial performance as at 30 September 2018 be noted, and
- (3) that, otherwise, the contents of the report be noted.