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Date: 11 September 2012

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GROWTH AND PROSPERITY OVERVIEW AND SCRUTINY PANEL

Date: Wednesday 19 September 2012
Time: 3pm
Venue: Council House, Next to the Civic Centre

Members:
Councillor Nicholson, Chair
Councillor Mrs Nelder, Vice Chair
Councillors Mrs Aspinall, Damarell, Darcy, Fox, Martin Leaves, Michael Leaves, John Smith, Wheeler and Wigens.

Members are invited to attend the above meeting to consider the items of business overleaf.

Members and officers are requested to sign the attendance list at the meeting.

Bob Coomber
Interim Chief Executive

GROWTH AND PROSPERITY OVERVIEW AND SCRUTINY PANEL

AGENDA

PART I – PUBLIC MEETING

1. APOLOGIES

To receive apologies for non-attendance by panel members.

2. DECLARATIONS OF INTEREST

Members will be asked to make any declarations of interest in respect of items on this agenda.

3. MINUTES **(Pages 1 - 8)**

To confirm the minutes of the last meeting held on 1 August 2012.

4. CHAIR'S URGENT BUSINESS

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

5. TRACKING RESOLUTIONS AND FEEDBACK FROM THE OVERVIEW AND SCRUTINY MANAGEMENT BOARD **(Pages 9 - 10)**

The Panel will monitor the progress of previous resolutions and receive any relevant feedback from the Overview and Scrutiny Management Board.

6. UPDATE ON GOVERNMENT POLICY CHANGES

To receive an update from the Panel's Lead Officer on Government Policy changes.

7. CONNECTIVITY: BROADBAND **(Pages 11 - 22)**

To receive a report on Connectivity: Broadband.

8. HEART OF THE SOUTH WEST LOCAL ENTERPRISE PARTNERSHIP **(Pages 23 - 56)**

To receive a report on the Heart of the South West Local Enterprise Partnership.

9. COMMUNITY EVENTS AND ROAD CLOSURES (Pages 57 - 60)

To receive a report on the Community Events and Road Closure Policy.

10. HIGHWAYS MAINTENANCE (Pages 61 - 64)

To receive a report providing an update on Highways Maintenance.

11. MARKET RECOVERY SCHEME

To receive an update on the Market Recovery Scheme.

12. GUIDANCE ON MEMBERS USE OF RESOURCES IN CONNECTION WITH PLANNING APPLICATIONS

To receive a verbal update from Tim Howes, Monitoring Officer, on the guidance on members use of resources in connection with Planning Applications.

13. WORK PROGRAMME (Pages 65 - 68)

To review the panel's work programme 2012 - 2013.

14. EXEMPT BUSINESS

To consider passing a resolution under Section 100A (4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in paragraph(s) of Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

PART II (PRIVATE MEETING)

AGENDA

MEMBERS OF THE PUBLIC TO NOTE
that under the law, the Panel is entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

NIL.

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Growth and Prosperity Overview and Scrutiny Panel

Wednesday 1 August 2012

PRESENT:

Councillor Nicholson, in the Chair.
Councillor Mrs Nelder, Vice Chair.
Councillors Mrs Aspinall, Darcy, Fox, Martin Leaves, Michael Leaves, Parker (substitute for Councillor Damarell), John Smith, Wheeler and Wigens.

Apologies for absence: Councillor Damarell

Also in attendance: Councillor Mark Coker (Cabinet Member for Transport), Councillor Brian Vincent (Cabinet Member for Environment), Clint Jones (City Centre Manager), Philip Heseltine (Head of Transport Strategy), Mike Artherton (Parking and CCTV Manager), Paul Barnard (Assistant Director for Planning), Peter Ford (Head of Development Management), Gill Peele (Business for Development) and Ross Johnston (Democratic Support Officer).

The meeting started at 3pm and finished at 5.30pm.

Note: At a future meeting, the committee will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

12. DECLARATIONS OF INTEREST

There were no declarations of interest made by Councillors in accordance with the code of conduct.

13. MINUTES

Agreed to approve the minutes of the meeting held on 4 July 2012.

14. CHAIR'S URGENT BUSINESS

Review of Subsidised Bus Routes Project Initiation Document

The Chair informed members that in order to review the subsidised bus routes in a timely manner, it was necessary for this PID to be considered, and agreed, at this panel meeting to ensure that it goes through the scrutiny process as efficiently as possible.

Agreed that –

(1) the title of the PID is amended to 'Review of Subsidised Bus Routes and Through Ticketing';

(2) membership of the task and finish group is approved as follows:

- Councillor Michael Leaves;
- Councillor Nelder;
- Councillor Nicholson;
- Councillor Wheeler;

(3) Gill Peele, Panel Lead Officer in consultation with Councillor Nicholson, Chair and Councillor Nelder, Vice-Chair, have delegated authority to amend the PID if necessary prior to its submission to the Overview and Scrutiny Management Board.

15. UPDATE ON GOVERNMENT POLICY CHANGES

Gill Peele, Lead Officer informed the panel that at present there were no updates on Government policy.

16. MARY PORTAS REVIEW AND CITY CENTRE RETAIL

Clint Jones, City Centre Manager, presented a report summarising the Plymouth City Centre Company's (PCCC) response to the Mary Portas Review. Members were informed that –

(a) the report summarises the PCCCs responses to the ten most relevant recommendations that came out of the original 26 recommendations following the Mary Portas Review of the High Street in December 2011;

(b) PCCC applied for Plymouth City Centre to be a nominated town in the Portas Pilot Scheme, however, this application was unsuccessful on two occasions;

(c) unsuccessful towns who applied for the Portas Pilot Scheme were invited to become 'a Town Team Partner' and Plymouth had signed up to this scheme;

(d) the latest audit of Plymouth's Business Improvement District (BID) revealed that out of 460 retail properties approximately 10 per cent were vacant; this was below the 11.8 per cent national average and the 20 per cent vacancy rates that many of the Portas Pilot Scheme towns operated.

In response to questions from members it was reported that –

(e) Plymouth College of Art and Design were utilising the vacant store at 109 Cornwall Street, for a 'Design2Sell' scheme, where students were able to promote and sell their work in a store that would be vacant without this project. The PCCC were looking at using similar kinds of initiatives within other city centre vacant stores;

(f) foot fall was lower for June and July in 2012 compared to the same period in 2011, however, this was a difficult statistic to compare due to weather variations having a major impact on figures. A more reliable statistic was cash spend which demonstrated that 63 per cent of retailers were trading at the same level or above for the same period as last year;

(g) PCCC were unable to provide accurately a collective spend per head, although, CACI, a lead provider in marketing solutions, produced an annual report which provided a lot of data and statistics;

(h) the larger vacant stores within the city centre were being actively marketed and it was hoped that at least one of the three largest stores would be occupied by Christmas 2012;

(i) PCCC was exploring the possibility of hosting a monthly market and had ambitions to use the income generated to purchase market equipment with a view to creating a regular fortnightly craft and continental market.

Agreed that Clint Jones, City Centre Manager, would email a copy of the CACI report to all members.

17. EVALUATION OF GYDNIA WAY

Councillor Mark Coker, Cabinet Member for Transport and Philip Heseltine, Head of Transport Strategy, presented a monitoring and evaluation report on the East End Transport Scheme (EETS). Members were informed that –

(a) despite recent publicity of Gdynia Way, the signage on the road meets legal requirements and follows the Department for Transport guidelines and the road was operating well;

(b) the EETS was subject to a number of traffic surveys both before and after the scheme and a further evaluation project would be conducted after 12 months of the road being operational, this evaluation would provide more detailed analysis which would be provided to the Growth and Prosperity Overview and Scrutiny Panel.

Panel members raised a number of concerns relating to the EETS which included –

- anti-social behaviour and vandalism in Cavendish Park;
- noise pollution on Mainstone Avenue;
- flooding in Heles Terrace;
- vacant shops and parking issues on Embankment Road;
- dangerous junction at Heles Terrace;
- traffic light system at Tothill Road;
- lack of a Park and Ride system at Plymstock;

In response to members questions it was reported that –

(c) monitoring the air quality at Prince Rock Primary School was part of the evaluation programme and was being undertaken;

(d) the final evaluation survey, scheduled for January 2013, was postponed from November 2012 due to the delay on completing the Finnigan Road works;

(e) the Transport Department were looking at ways of capturing data for the evaluation survey and would likely use traffic counters to measure volume of traffic and journey times, bus driver surveys from all three major bus operators (CityBus, First and Target Travel) and an online questionnaire;

The Chair thanked Phillip Heseltine and Councillor Coker for their attendance and commented that the scheme had delivered some real benefits, although there were some issues that needed to be resolved.

Agreed that –

(1) Philip Heseltine, Head of Transport Strategy and Julie Wileman, Major Schemes Project Officer, would organise a meeting with members from the Sutton and Mount Gould ward in order that local issues could be communicated;

(2) Transport Officers are requested to review the traffic arrangements at Heles Terrace to improve and attempt to avoid issues of congestion;

(3) Transport Officers are requested to investigate ways to consult with the wider public and as to how councillors can assist in gathering intelligence and feeding through to the Transport Department;

(4) a future report is submitted to the panel early in 2013 following the evaluation programme.

18. ON STREET PARKING REVIEW

Councillor Mark Coker, Cabinet Member for Transport and Mike Artherton, Parking and CCTV Manager, presented a report reviewing on-street parking. Members were informed that –

(a) on street parking was a serious city-wide issue and the submitted report was the first step in attempting to identify the parking issues that the city was facing;

(b) the review of on street parking was originally started in September 2010 via a series of resident and business surveys;

(c) it was acknowledged that to resolve the issue of on street parking would be a long and difficult process, where a ‘one size fits all’ approach would not be satisfactory. In order to resolve this issue the Parking Department and Cabinet Member for Transport were keen to work closely with the Growth and Prosperity Overview and Scrutiny Panel.

Members commented that there were a number of parking issues across the whole of the city and these varied ward by ward. These issues included –

- vehicles illegally parked on public footpaths;
- oversubscribed permit parking areas;
- commercial vehicles allocated parking permits;
- caravan and trailers parked on the public highway;
- student parking areas;

Following members questions it was reported that –

(d) this paper predominantly focused on controlled parking zones (CPZs) where parking permits had been severely oversubscribed;

(e) further analysis and surveys would be undertaken to identify all of the issues;

(f) student parking was a significant issue which was being researched through monitoring models adopted by other cities, Cardiff in particular.

Agreed that a further report is submitted to the panel meeting in February 2013 for further review before the policy is formulated.

19. **PLANNING SERVICES CODE OF PUBLICITY**

Councillor Brian Vincent, Cabinet Member for Environment, Paul Barnard, Assistant Director for Planning and Peter Ford, Head of Development Management presented a draft Planning Services Code of Publicity. Members were informed that –

(a) the Planning Department were exploring ways to more effectively engage the public, whilst reducing costs and improving standards and to do this a new Code of Publicity was proposed;

(b) the public notices, used to advertise planning applications, had been improved by including QR codes, to enable smart phones to access the information and by ensuring that they were more user friendly;

(c) ensuring public notices were situated in the best possible locations to inform the public on development proposals in their areas and that this would be achieved through a new process that had been instigated whereby ward members play a more proactive role and work with the planning department on the siting public notices following the recently agreed ‘Probity in Planning’ code;

(d) this new Code of Publicity has simplified the process of siting public notices meaning that the code is less complicated and that everyone has equal access to view public notices;

(e) a publicity campaign will be undertaken to promote the changes in the Code of Publicity and also the department propose to work with Plymouth

Disability Action Network to ensure that all members of the community have the opportunity to be engaged on planning applications;

(f) due to recent rises in postage the Planning Department would no longer be sending letters of notification to householders and letters would be replaced by increased use of public notices, with exceptions for members of the public who had difficulty accessing public notices due to disabilities;

(g) the public notices would be written in plain English, although all notices use internationally recognised symbols informing residents that there are translation services available.

Following members questions it was reported that –

(h) the Government set the fees for planning applications and as such the Planning Department had no control over fee setting, which means that the additional costs of postage could not be passed on to applicants;

(i) the changes to the Code of Publicity and 'Probity in Planning' code allowed a more flexible and more proactive engagement with local communities and stakeholders on development proposals and potentially, through the further development of a cooperative model of delivering planning services, a fundamentally different relationship between local citizens and the Local Planning Authority.

Members welcomed and supported the proposed new Code of Publicity. Members commented that they were confused as to the level of council resource that could be used to undertake ward work on planning matters following previous advice offered from the Monitoring Officer.

<u>Agreed</u> that:

(1) the proposed new approach advocated in the Code of Publicity is welcomed and supported;

(2) the Monitoring Officer, is invited to attend the next meeting of the panel to provide a report which advises councillors when it is appropriate to use council resources for ward work, particularly in line with increased members involvement in planning applications and site notices.

20. **MINUTES OF THE GROWTH BOARD**

The panel received the minutes of the Growth Board held on 21 May 2012 and commented that the minutes needed to be more comprehensive in order to fully understand the issues that were discussed.

<u>Agreed</u> that the panel's feedback on the minutes being more comprehensive is provided to the Growth Board's support officers.

21. **TRACKING RESOLUTIONS AND FEEDBACK FROM THE OVERVIEW AND SCRUTINY MANAGEMENT BOARD**

The panel noted its tracking resolutions document.

22. **WORK PROGRAMME**

The panel discussed its work programme for 2012 – 2013.

Agreed that –

1. Gill Peele, Panel Lead Officer, is to ensure that all items included on the work programme are populated with meeting dates;

2. the following items are added to the panel's work programme –

   - Inward Investment Team – an overview on how the team are working to generate inward investment. What have they done and what are their plans for the future;

   - Community Events and Road Closure policy - to be added for the next meeting and a report requested to be submitted;

   - BT Broadband connectivity – should include all service providers. Request a report for the next meeting;

   - Highway maintenance – request a report to be reviewed at the next meeting;

   - Market Recovery Scheme – request a report so this can be reviewed at the next meeting;

   - Youth Unemployment – this item to the included at the November meeting.

23. **EXEMPT BUSINESS**

There were no items of exempt business.

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TRACKING RESOLUTIONS
Growth and Prosperity Overview and Scrutiny Panel

Date / Minute number	Resolution	Explanation / Minute	Action	Progress	Target date
01/08/12 13	the title of the PID is amended to 'Review of Subsidised Bus Routes and Through Ticketing'.		Title was amended and the PID was submitted to the O&SMB on 5 September 2012, where it was approved.	Complete.	05/09/12
01/08/12 16	that Clint Jones, City Centre Manager, would email a copy of the CACI report to all members.		A copy of the CACI report was emailed to all panel members on 31 August 2012.	Complete.	19/09/12
01/08/12 17	a future report is submitted to the panel early in 2013 following the evaluation programme.		An additional work programme item has been added on the evaluation of the East End Transport Scheme for 20/02/13.	Complete.	19/09/12
01/08/12 18	that a further report, following increased surveys and analysis and to incorporate members comments, is submitted to the panel meeting in February 2013 for further review before the policy is formulated.		An additional work programme item on the on street parking review has been added for 20/02/13.	Complete.	19/09/12

Date / Minute number	Resolution	Explanation / Minute	Action	Progress	Target date
01/08/12 19	that Tim Howes, Monitoring Officer, is invited to attend the next meeting of the panel to provide a report which advises councillors when it is appropriate to use council resources for ward work, particularly in line with increased members involvement in planning applications and site notices.		The Monitoring Officer was invited and an agenda item included on the 19 September 2012 agenda.	Complete	19/09/12
01/08/12 22	Gill Peele, Panel Lead Officer, is to ensure that all items included on the work programme are populated with meeting dates;		The work programme has been updated and included on the 19 September 2012 agenda.	Complete	19/09/12

Grey = Completed (once completed resolutions have been noted by the panel they will be removed from this document)
Red = Urgent – item not considered at last meeting or requires an urgent response

PLYMOUTH CITY COUNCIL

Subject:	Connectivity: Broadband
Committee:	Growth and Prosperity Overview and Scrutiny Panel
Date:	19 September 2012
Cabinet Member:	Councillor Evans
CMT Member:	Anthony Payne, Director of Place
Author:	Sheldon Ryan, Economic Development Officer, Economic Development.
Contact:	Tel: 01752 398228 sheldon.ryan@plymouth.gov.uk
Ref:	
Key Decision:	No
Part:	I

Purpose of the report:

The purpose of this report is to explain the current state of broadband connectivity in Plymouth focussing on all major providers in the city.

As with other complex technology related issues there is a danger of misinformation, misunderstanding and disproportionate attention being paid to loud but not necessarily correct opinions and demands for action. This report will help the Council to provide robust and informed responses to: what the situation is regarding connectivity, what the Council is doing and why and what is within the scope of the Council to action and what is not,

The Economic Development team has for the first time accurately mapped connectivity across the city, analysed connectivity related economic issues and opportunities, and has designed and is implementing a clear set of initiatives to address these based on best practice.

The report will explain in non-technical language the importance of broadband to the city's economy and to society in general. It will provide an explanation of the technology which drives this agenda, the Government policy which has emerged as a result and the history of efforts to improve connectivity in Plymouth.

The report will go on to explain connectivity mapping, and then discuss the issues and opportunities for the city and what is being done by the Economic Development team to address these.

Lastly the report will make recommendations of how more benefit could be extracted in this area by the Council and its partners.

Corporate Plan 2012-2015:

Delivering Growth – Broadband is a widely recognised driver for business growth, competitiveness and as an inward investment asset.
Raising Aspirations – The internet is a necessary component of education and a link to knowledge.
Providing Value for Communities – Increased broadband uptake will facilitate the shift from face to face to online public service provision and in doing so save the city millions of pounds.

Reduce Inequalities – Slow uptake of broadband across the city is a major risk and opportunity to equality through digital exclusion.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

Likely to be a requirement for £30,000 for awareness and demand raising marketing activity and expert telecoms guidance. At present there is staffing provision of 0.25 FTE is dedicated to this area.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

The report raises an issue: that digital exclusion, i.e. sections of the community that cannot or don't access the internet are at risk of exclusion from public services, education, and economic benefit. This will have an impact on equality and diversity. The report states that the economic aspects of inclusion are being addressed by the Economic Development team but that other aspects may require further consideration given the community, social and education based impacts.

Recommendations & Reasons for recommended action:

It is the recommendation of this report that further consideration be given to better understand the issues involved, audit current activity and, if appropriate, produce and implement actions to focus on the non-economic aspects of digital inclusion.

Alternative options considered and reasons for recommended action:

Background papers:

Sign off:

Fin		Leg		HR		Corp Prop		IT		Strat Proc	
Originating SMT Member											
Have you consulted the Cabinet Member(s) named on the report? No											

1.0 Introduction – what is broadband?

The report will begin by explaining the technology involved – without this it is difficult to understand the topic in hand.

Broadband is measured in 'megabits per second or Mbps' which is essentially a measure of the flow rate of data, hence the 'bits' (of information) per second. Broadband has been marketed under many names as speeds have increased over the years. The most recent incarnation is called 'superfast broadband'. For the purposes of this document superfast broadband will be 20 Mbps and over as per the official Ofcom definition. There are also many other definitions such as the one from BT which is 80-100 Mbps (corresponding to their latest product).

The following table will explain what different broadband speeds can achieve in terms of actual functionality.

Broadband speed		This speed is suitable for...
250k to 1.5 Mbps	Very slow	Basic email, limited web browsing
1.5 to 3 Mbps	Slow	Streaming music, standard definition video, remote surveillance, telecommuting
3 to 6 Mbps	Devon average 6.4 UK Average 6.2	File sharing (small/medium files), internet TV (iplayer, 4OD, video conferencing etc)
6 to 10 Mbps	Plymouth average 8.7	Online gaming, streaming movies online, instant web page loading
10 to 25 Mbps	Fast	Telemedicine, remote education, high definition (HD) internet TV
25 to 50 Mbps	Very fast	HD video surveillance
50 to 100 Mbps	Superfast	Video conferencing (multiple users), remote supercomputing
100 Mbps+	Ultrafast	Real-time data collection, real time medical image consultation

Av. speeds Ofcom 2011. Internet speed is measured Megabits per second Mbps.

1.1 Why is superfast broadband important for Plymouth?

Broadband is good for the economy

Superfast broadband is good for the economy. A study by Arthur D. Little in 2010 concluded that GDP increases by 1% for every 10% increase in broadband 'penetration' i.e. people who use broadband.

A study by Regeneris in 2012 stated that for a typical UK city, superfast broadband (in this case 40 Mbps and above) could lead to:

- 320 business start-ups as a result of Cloud Computing (online services and storage) and support for 1,580 home workers.
- Around 436 jobs created through business creation and improved business performance.

Although it is often assumed that these benefits mainly affect high tech industries the biggest positive impact is felt within the service and creative sectors. Increased connectivity also enables increased home working and thus empowers flexible working and therefore diversity.

In a report commissioned by the Plymouth City Centre Company in 2010 Adroit concluded that digital connectivity would be "important to the successful delivery of the Local Economic Strategy" and would form a "unique opportunity for Plymouth to take the lead" also that demand would be broadly met by the private sector.

1.2 **Broadband is good for society**
Superfast Broadband is also very important for the social development of Plymouth. Broadband provides benefit to education, job seeking, shopping, transport, social networking, banking, communications and information provision. A comprehensive report for the Labour Government in 2008 called 'Digital Britain' noted the importance of broadband and digital literacy. The recommendations of this report are broadly accepted by both parties and form the basis of policy today which places an emphasis on Britain developing the "best network in Europe". Amongst other facts the report showed that there is a now a widening pay divide between those who can and cannot use a computer. Also, in addition to the less tangible benefits of broadband usage purely by using price comparison websites and online-only deals savings of £23 per month per person can be made.

The Government policy 'Digital by Default' also sets a clear direction of travel that more and more government services will be delivered online. With downward pressure on prices online service delivery will become much more prevalent. The most impactful changes are predicted to come within healthcare, and the integration of data across services.

The internet revolution should be good news for everyone, but for those unwilling or unable to engage there is a serious of risk of becoming more disadvantaged, poorly served, disengaged, isolated and ill-informed as the rest of society benefit and progress. Digital exclusion mainly affects people from deprived areas, the elderly and the disabled groups. Each different group has very different barriers to engagement and as a result differing potential interventions.

1.3 **What is driving demand for broadband?**
It is important to remember that for the foreseeable future there will be increasing demand for connectivity, both in terms of speeds and 'bandwidth' (which refers to the overall amount of data that is required).

Since the 1980s broadband speed has roughly doubled every two years. Demand is being driven by numerous factors such as the meteoric demand for smart phones and tablets (66x increase between 2008-2012 globally) and the rise of video on demand transmitted on the web. By 2015 there will be two connected devices for every person on earth (Cisco 2012). This shows no sign of slowing.

The private sector will broadly supply this demand in most cities (including Plymouth) but not necessarily in rural areas.

1.4 **What technologies are providing the solution?**
In Plymouth there are two infrastructure suppliers: BT and Virgin. BT Openreach is obliged by law to resell their network as a condition of their denationalisation in the 1980s. They resell to the likes of Tiscali, Talk Talk and confusingly BT (retail).

(Refer to diagram on the next page - explanation of telecoms technologies)

In terms of technology BT Openreach supply services over a copper network which was originally designed for telephone messaging
(This refers to the first 'copper' network).

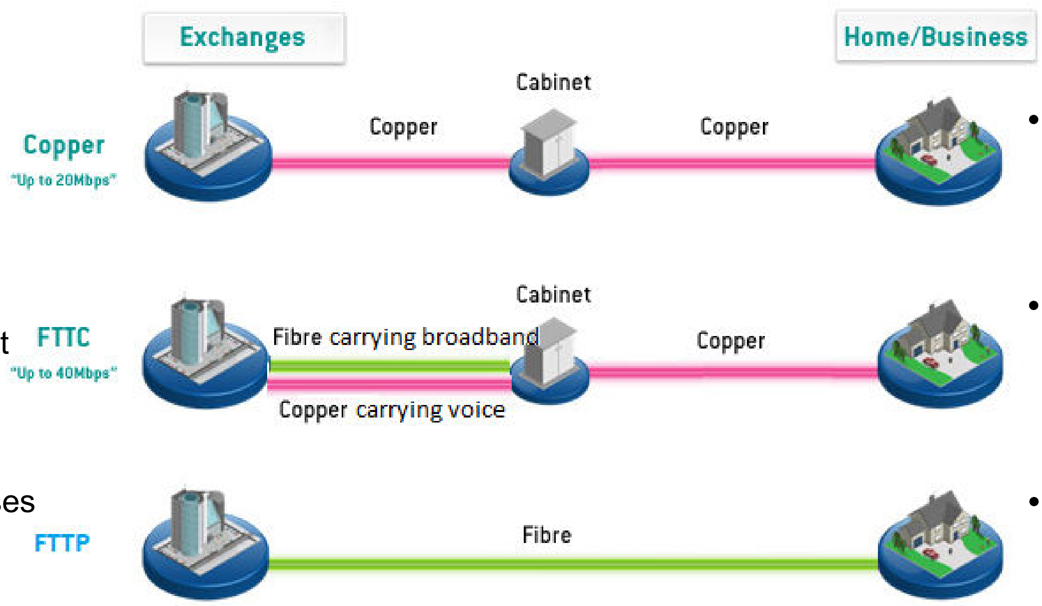
In order to meet demand BT are currently working on a £2.5 billion fibre optic upgrade programme to their network across the UK (including Plymouth). High capacity fibre optics is being laid from BT central exchanges to street level cabinets (green boxes, which typically supply in the order of 100 houses). By 2014 BT will have

fibre enabled 80% of Plymouth enabling access to speeds of between 80-100 Mbps (so easily fast enough for current demand).
(This refers to 'fibre to the cabinet' network).

The BT network will also have the capacity to eventually become 100% fibre and deliver speeds of 300 Mbps (enough for future demand).
(This refers to the fibre to the premises network)

Virgin supply services over a hybrid, high capacity copper based network which was originally intended to deliver cable TV. Virgin bought this network and currently has no plans to extend it until they have recouped their significant national investment. This network is currently capable of 80-100 Mbps.

Explanation of telecoms technologies



Fibre to the cabinet

Fibre to the premises

- Traditional phone network (20mbs)
- What BT are delivering now (80-100 mbps (by 2014))
- Ambition for the future (300 mbps+)

In addition to these 'wired', land-based networks there are also mobile wireless networks which effectively sits on top of and use the land based network to transmit messages. At present the UK uses slow 3G technology to access the internet while on the move using smart phones etc. Within the next few years the latest technology called 4G will provide speeds of over 50 Mbps, to smart phones which is higher than is currently available to most large businesses.
4G technology may be one of the technologies that provide connectivity to areas that are currently non-cost effective for the private sector to connect.

Fibre on demand connections will also be widely available shortly which will provide 'under connected' businesses with 300 Mbps connections at cost.

1.5 **Recent broadband history in Plymouth**

Plymouth City Council previously engaged with Fibre City, who offered to connect the city with fibre to each home. Fibre City became insolvent due to a number of reasons and as a result the offer never materialised. In the meantime, as a response to commercial demand for broadband Virgin bought and began to run an extensive broadband network across the city and BT started an extensive upgrade programme across the city.

1.6 **Is Plymouth well connected?**

Yes. Plymouth punches above its weight in terms of connectivity. The Economic Development team recently commissioned a study which used various data sources to compile the mapping and data listed below.

Plymouth has an average broadband speed of 8.7 megabits per second, against a national average of 6.7 so is in the top 24% nationally. Superfast broadband (20Mbps+) is available to 88% of city with an 'uptake' (actual subscribers) of 69%. Uptake figures are very important because they are an indicator of the future likelihood of upgrade and again the figures for Plymouth are in the top 25% in the UK.

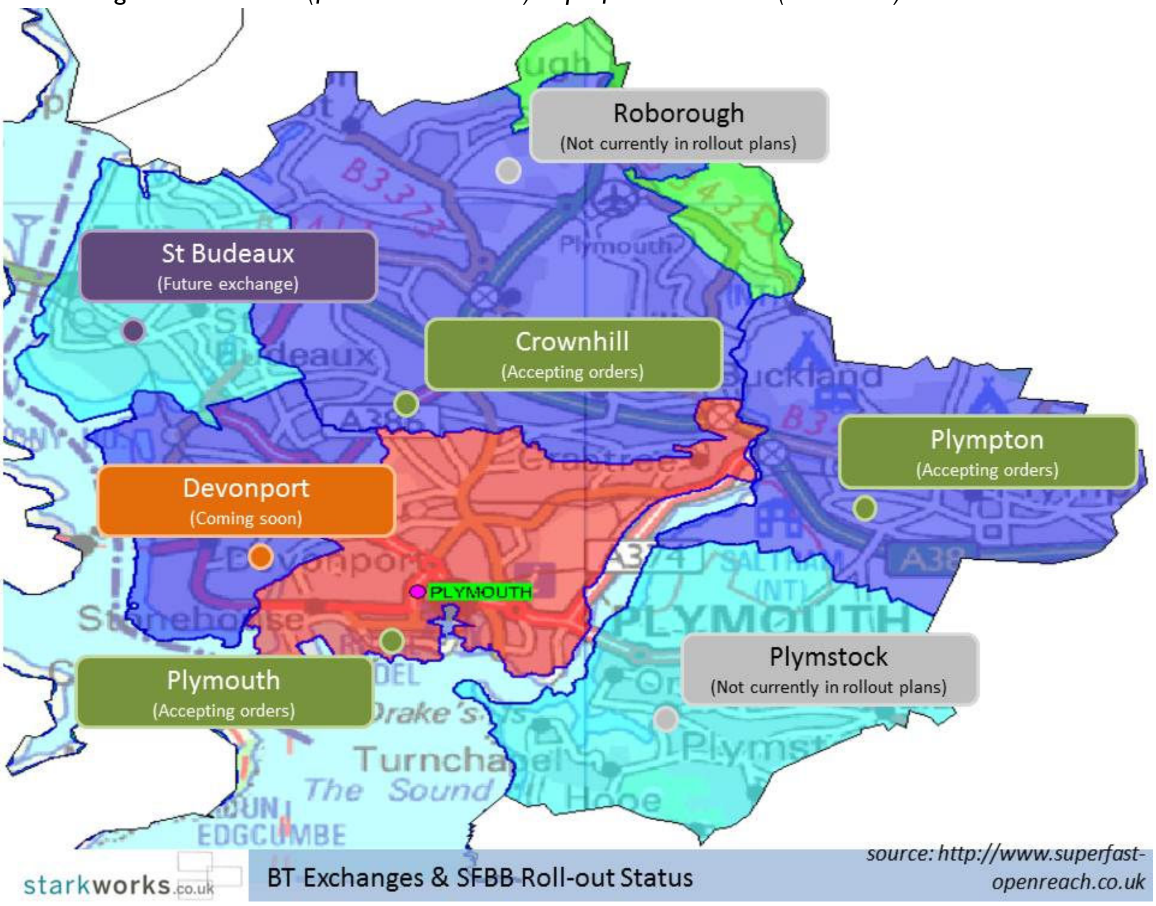
The Virgin network covers 105,000 premises with speeds of up to 100 Mbps and the BT Openreach upgrade programme now covers 65% of premises with speeds of up to 40 Mbps.

By 2014 the BT Openreach upgrade programme will cover 80% of premises and by then further technology advances will mean that customers will be able to access speeds of up to 80-100 Mbps.

Because the network is delivered on a commercial basis some areas of the city are not well connected. This is because they are either too sparsely populated and/or are too expensive to connect often due to engineering issues. In Plymouth 10.3% of premises are reported as having less than the current 2 Mbps bandwidth target stated by UK Government. This figure is relatively low for a city of Plymouth's size and there are no large continuous areas of poor connectivity (Stark works 2012).

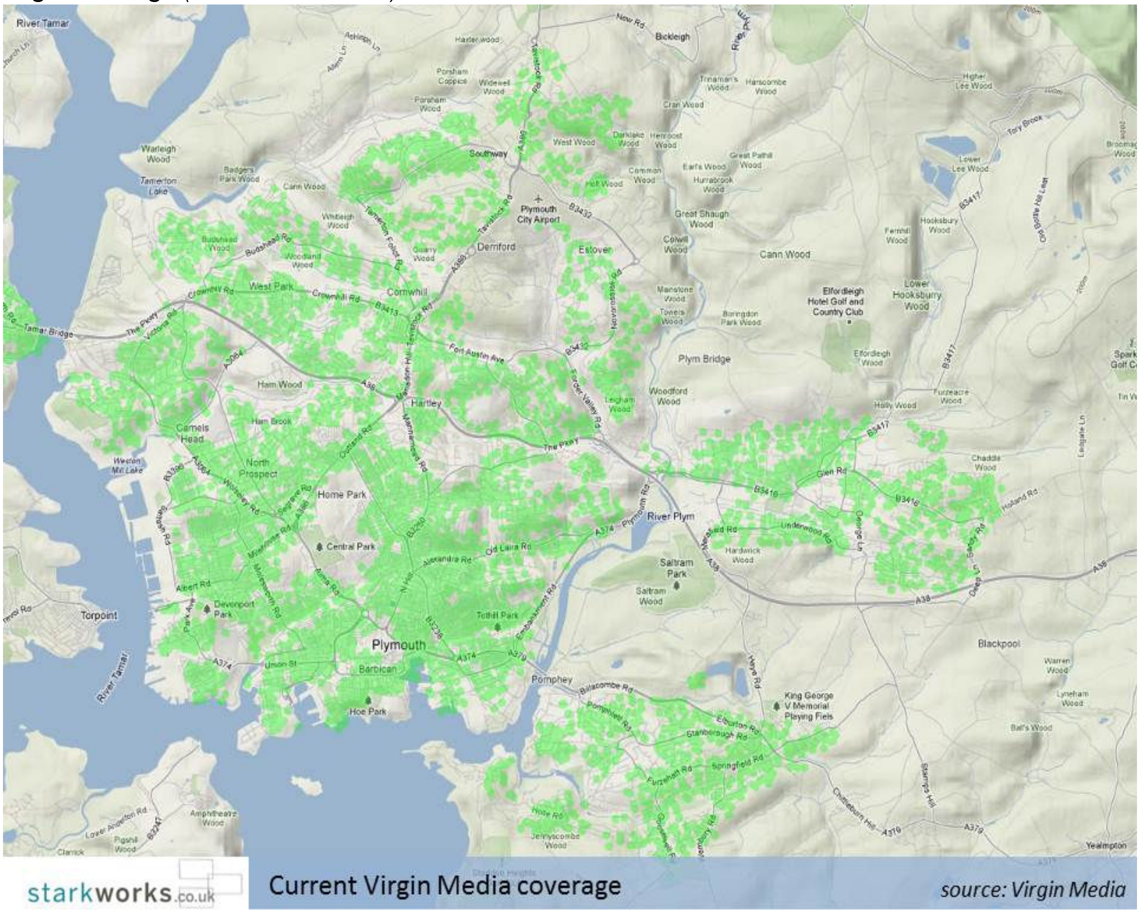
Demand led supply from the private sector is likely to deliver the necessary increases in broadband supply across the board but the Plymouth City Council Economic Development team has developed a programme of activity designed to accelerate this process.

BT exchanges enabled with (fibre to the cabinet) superfast broadband (source BT)

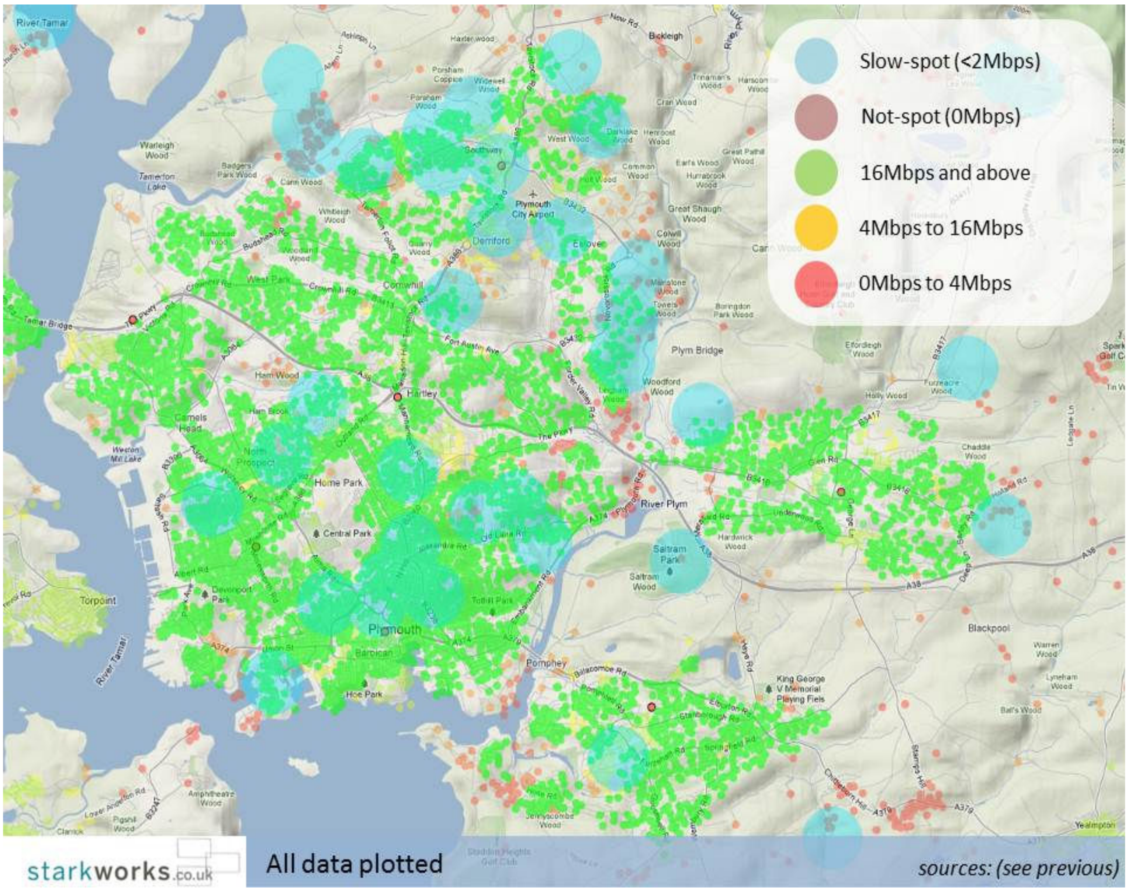


Areas shown as 'accepting orders' are not 100% covered by BT superfast broadband. 'Accepting orders' signifies that the exchange has been fibre enabled and a percentage of local cabinets have been enabled. BT has a policy of continual upgrades at cabinet level based on a cost against likely commercial demand model.

Virgin Coverage (Stark works 2012)



Combined coverage showing speeds available (Starkworks 2012)
No colour implies no data available.



1.7 **Broadband policy and funding for broadband**
UK Government has stated the goal to have the "best superfast broadband network in Europe by 2015" and has signed up to the European target which states that "by 2020, there should be 100% coverage of 30 Mbps, ½ subscribing to 100 Mbps or above". This goal is clearly going to be challenging to achieve and considerable money has been committed by Government to achieve this, but more will be required if the goal is to be achieved.

In order to hit these challenging goals, UK Government has put £.5 billion into rural broadband for areas such as Devon and Cornwall where the private sector will not meet demand. For cities £100 million has been invested into the 10 largest cities and this summer Plymouth was in scope for a maximum pot of £5 million along with 27 other cities.

The £5 million (maximum) pot could only be accessed by cities that have large continuous poorly connected areas (which Plymouth clearly does not have), it also required considerable match funding and involved numerous unacceptable risks to delivery. For this reason on the advice of the consultants what consultants the Council has declined to bid for this funding and instead will continue to lobby for more viable funding to be made available.

1.8 **What are the digital issues for Plymouth?**

Digital issues in Plymouth fit into three broad categories:

Broadband supply - Plymouth is well connected but there are still 10% of premises which are not. It is important that uptake of broadband is high to stimulate further investment for the poorly connected 10% and also keep the other 90% well connected as demand for speed increases.

Utilisation - Internet use is economically and socially beneficial. It is therefore important that all groups get more benefit from broadband. This means business and particularly SMEs becoming more efficient from using new web based products and services. It also means ensuring that everyone obtains benefit from broadband.

High demand users – the city will benefit if it can provide cutting edge broadband to high demand users at competitive prices.

The issues in Plymouth are typical for (and certainly no worse) than in other comparable cities in the UK. With the possible exception that issues of digital exclusion mirror the comparative levels of deprivation in the city and are therefore likely to be worse than in more affluent cities. While the Economic Development team have an understanding and ability to impact these issues from an economic perspective by working with business the wider social issues will require increased understanding and more concentrated community level activity if the city is to avoid creating digitally excluded groups.

1.9What is the Council doing?

Led by the Economic Development team and answerable to the Plymouth Growth Board the Digital Plymouth Steering Group provides expert guidance.

Demand building activity – a wide programme of targeted marketing activity to raise the demand for and benefit derived from broadband. Activity will focus on specific sectors for example, tourism, high tech businesses, SMEs from deprived areas, home workers, creative sector, poorly connected areas.
This programme of activity will incentivise future upgrades to broadband supply for the entire city including the under connected areas. Demand building activity will also increase the benefits derived from utilising the internet – be they social or economic.

Digital Plymouth supports the Council's wider push to bring services online as this will also incentivise demand. However it also risks creating further exclusion if sections of the city cannot access the new online services.

Digital exclusion – The Economic Development team has worked hard to understand this complex issue which can be split into two areas:

- Supply, i.e. ensuring that everyone in Plymouth has the ability to connect.

The Economic Development team considered various interventions in partnership with BT, and Citizens Online etc. and involved the Council Social Inclusion unit and social housing providers. Meetings are now in progress to find a suitable solution. In terms of actual supply, the huge rise in mobile connectivity and TV delivered online will have a large positive impact on actual connectivity so this will become less of a problem in future.

- Demand building activity and access to suitable equipment

The Economic Development team delivers the Urban Enterprise programme which is designed to help people from excluded groups set up businesses (including a digital component) and provides finance which can be used to access IT equipment. Other Economic Development supported programmes such as the Fredericks Foundation provide finance for excluded groups to access IT equipment and training.

The Social Inclusion team are currently leading on the social aspects of this activity and several community organisations such as Routeways who deliver for the over 50s are also delivering support.

2.0 Recommendations

In terms of supply of broadband to Plymouth the private sector will in most instances deliver sufficient supply to meet demand for the foreseeable future. The Economic Development team has a programme of activity which will accelerate demand, and therefore supply, where possible to keep Plymouth ahead of other areas. If it is viable to do so, the team will also advise on where public funds can be used to do the same.

It is the recommendation of this report, however, that further consideration be given by the Panel to ask officers to better understand the issues involved, audit current activity and, if appropriate, produce and implement actions to focus on the ***non-economic*** aspects of digital inclusion.

Digital Plymouth was established to address the economic aspects of connectivity. This group could guide and feed into the social aspects of inclusion but with the Plymouth Growth Board as its lead/sponsor organisation it should not be solely responsible for this important agenda which has such wide implications to the corporate plan, i.e. raising aspirations, providing value for communities and reducing inequalities.

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PLYMOUTH CITY COUNCIL

Subject: Heart of the South West Local Enterprise Partnership

Committee: Growth and Prosperity Overview and Scrutiny Panel

Date: 19 September 2012

Cabinet Member: Councillor Evans

CMT Member: Anthony Payne, Director of Place

Authors: Christopher Grace, Head of Economic Development / David Lea, Economic Development Apprentice

Contact: Telephone: 01752 304151
Email: Christopher.grace@plymouth.gov.uk

Ref:

Key Decision: No

Part:

Purpose of the report:

To provide the Growth and Prosperity Overview and Scrutiny Panel with an overview of the Heart of the South West Local Enterprise Partnership (HotSW LEP). This report covers why the HotSW LEP exists, how it is currently operating, the relationship between the HotSW LEP and Plymouth City Council and the impact that the HotSW LEP has had on Plymouth and the surrounding area.

Corporate Plan 2012 – 2015:

Delivering Growth - The LEP is intended to be a key partnership for the delivery of economic growth across localities and wider geographic areas.

Raising Aspirations - The LEPs Business Plan aims to enhance economic prosperity across wider sections of local communities through the prioritisation of initiatives which create jobs in a number of key sectors.

Providing value for communities - Potentially the LEP can be successful in securing finance for economic development initiatives which either match or alleviate financial contributions at the local level.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

The LEP has made a request for a £20,000 core funding contribution and there is likely to be significant on-going calls on the time of officers and potentially of the Leader through his involvement in the LEP Board.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

The activities of the LEP primarily have economic implications but there is the potential for social and environmental benefit depending upon the nature of initiatives that the LEP decides to pursue in due course.

Recommendations & Reasons for recommended action:

To decide whether to establish a Task and Finish group to look further at the activities of the HotSW LEP in order to come to a view as to how well it is serving Plymouth, the wider HotSW area and whether the City Council can, or should, further develop its commitment to the Partnership.

Alternative options considered and reasons for recommended action:

1. An alternative option would be to continue to participate within the LEP without evaluating its impact on Plymouth
2. A second alternative option would be to withdraw from being an active participant in the LEP without evaluating its impact on Plymouth, but that would carry significant risk of Plymouth being percieved as not willing to work proactively with the LEP and indirectly with Government in trying to achieve economic growth. It would also carry a significant risk of not being able to bid into future funding regimes

Background papers:

Heart of the South West as at Appendix 1

Sign off:

Fin		Leg		HR		Corp Prop		IT		Strat Proc	
Originating SMT Member Anthony Payne											
Have you consulted the Cabinet Member(s) named on the report? Yes – comments pending											

1.0 Introduction

1.1 The purpose of this report is to provide the Growth and Prosperity Overview and Scrutiny Panel with an overview of the Heart of the South West Local Enterprise Partnership (HotSW LEP). This report covers why the HotSW LEP exists, how it is currently operating, the relationship between the HotSW LEP and Plymouth City Council and the impact that the HotSW LEP has had on Plymouth and the surrounding area.

2.0 What are Local Enterprise Partnerships?

2.1 The Government announced in the June 2010 UK budget that Local Enterprise Partnerships (LEPs) would come in to being in lieu of the abolished of Regional Development Agencies (RDA). LEPs were established to drive forward economic development across economic geographies which in theory at least have similar characteristics and/or barriers to economic growth. LEPs, unlike RDA's, do not receive core funding from central Government and are required to source their own funding in order to perform operations and undertake activities.

2.2 LEP's are private sector led entities that comprise a partnership of business persons and upper tier local authorities. Many LEPs have also chosen to include higher and further education in their Boards. The Coalition Government decreed that LEPs would be private sector led in the belief that the private sector will be pivotal in unlocking the growth potential of any area as the public sector contracts.

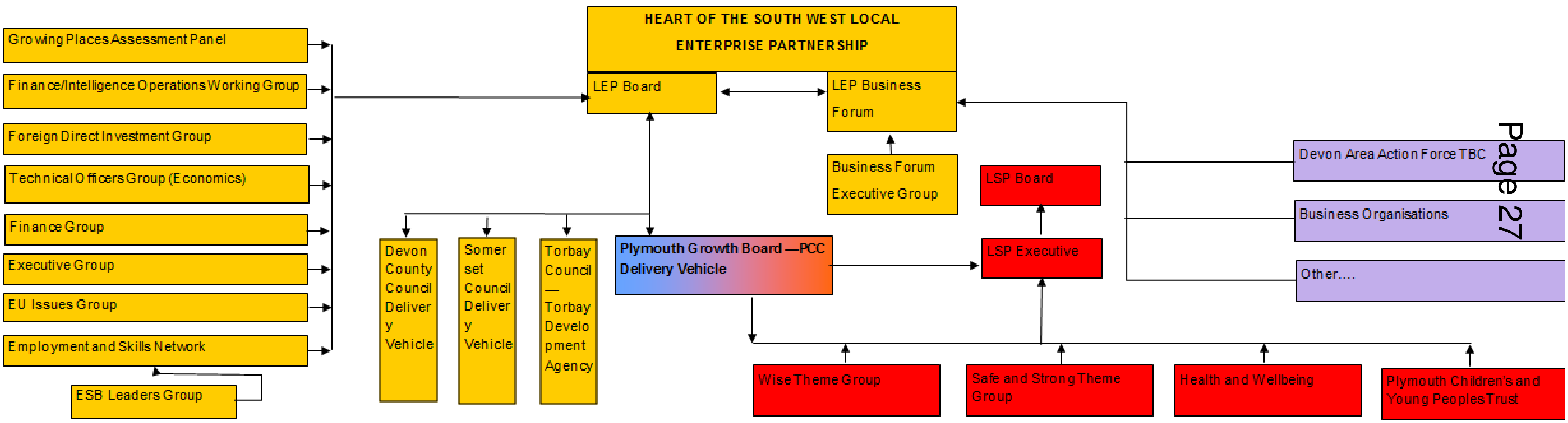
2.3 The primary remit of LEPs was defined by the Government as providing a strategic vision for unlocking the growth potential of an area through creating the conditions necessary for the private sector to grow. It envisaged a particular emphasis on more start-up businesses, the expansion of existing businesses and levering in inward investment to the area. LEPs are, however, increasingly being used to deliver initiatives and programmes at a local level as well as providing a channel of communication from Central Government to local areas. This expectation is occurring whilst still receiving no substantial funding from Government. This is particularly challenging for LEPs that were created 'from scratch' and did not have the benefit of historic resources transferred from bodies such as development companies, which were often found in cities in the midlands and the north especially.

2.4 Each of the 39 LEPs across England is different. The most obvious difference between LEPs is their geographical make up. Some are largely rural, some are very urban based around one city, some cover prosperous and deprived areas, some are very mixed in their economic characteristics. Lack of prescription by the Government was meant to achieve innovation and the ability to form economic partnerships which met the needs of economic geographies; in reality too many LEPs have become a hybrid of interests which are not based around natural economic geographies. Unfortunately many, although not all, LEPs have had to spend significant time trying to embed the nature of the partnership rather than being able to focus from the start on natural priorities and opportunities to achieve economic growth. Some LEPs are very well resourced and others (including HotSW) are not. This impacts negatively in some parts of the country on the way in which LEPs are able to function towards the goal of creating the right environment for the private sector to grow.

3.0 The Heart of the South West Local Enterprise Partnership

3.1 The HotSW LEP was established informally in March 2011 and covers an area of 10,158 square kilometres across the local authority areas of Devon, Plymouth, Somerset and Torbay. It is one of the largest LEPs in terms of geographical size that was given approval to go ahead. The economic output of the area covered by the HotSW LEP is estimated at being £25billion per year and the population of the area is 1.6million which makes it a substantial contributor to the UK economy. The HotSW LEP comprises a number of urban economic hubs which are vital in driving the economy of the wider area forward with Plymouth being by far the largest of these. The HotSW LEP also covers a large rural area. This creates challenges in trying to define the best way for the LEP to boost its area's economy as a whole.

Fig.1 Heart of the South West Local Enterprise Partnership structure and how it fits with local delivery vehicles.



3.2 The HotSW LEP's structure is shown in Fig. 1. It has a Board and Business Forum, the latter made up of businesses from across the area, in order to widen its influence. The Board is supported by a number of specialist sub-groups. In order to have local influence each of the upper tier LAs has an identified body (in the case of Plymouth this is the Plymouth Growth Board) which allows for information to flow to and from the LEP to the local areas; this relationship is still to be fully established.

3.3 The HotSW Board is made up as follows;

Eight Private sector representatives:

- Nicholas Ames, Managing Director, Supacat Ltd
- Simon Barker, Director of Strategy and Alliances UK Government Business, Augusta Westland
- Frances Brennan, SW Regional Director, Working Links (Vice - Chair)
- Adam Chambers, Chief Executive Officer, Peninsula Enterprise
- Nick Engert, Consultant to Clarke Willmott LLP
- Tim Jones, Chartered Surveyor / Commercial Property Developer (Chair)
- Vaughan Lindsay, Chief Executive, Dartington Hall Trust
- Dr Stephen Bird, Operations Director, South West Water

Four upper tier local authority representatives:

- Councillor Tudor Evans, Leader of Plymouth City Council
- Councillor William Mumford, Cabinet Member for Economy, Enterprise and Employment, Devon County Council
- Councillor David Hall, Cabinet Member for Strategic Planning and Economic Development, Somerset County Council
- Gordon Oliver, Mayor and Leader of Torbay Council

Two higher education representatives:

- Professor Wendy Purcell, Vice-Chancellor, University of Plymouth
- David Allen, Registrar and Deputy Chief Executive, University of Exeter

One further education representative:

- Rachel Davies, Principal, Somerset College

The Board is tasked with making the strategic and formal decisions for the HotSW LEP, although formal governance arrangements for the LEP remain under discussion and review. Members of the Board were selected on the basis of an application and interview.

3.4 The HotSW LEP Business Plan (see Appendix 1) was adopted in April 2012 and outlines the vision as being, "to create more sustainable jobs by supporting and promoting our enterprises and capitalising upon the unique opportunities existing in the Heart of the South West". Three broad themes have been identified that the HotSW LEP seeks to work toward in order to improve the development of the area, namely around job creation, raising productivity levels and increasing earnings. In order to achieve this, the activities of the HotSW LEP fall into four objectives:

i. Driving productivity and enterprise
ii. Attracting new business and investment
iii. Maximising employment opportunities
iv. Promoting infrastructure to connect with markets

3.5 Alongside these there will be a particular focus on innovation, manufacturing, the green economy, rural productivity, tourism, nuclear and marine as a way of driving forward the HotSW economy. For each of these objectives a number of activities and initiatives have been identified to drive forward delivery of the objectives as outlined in the Business Plan. Targets for measuring the success or otherwise are also outlined.

3.6 The Business Plan also seeks to set out milestones by which activities are completed over the period to early 2014.

3.7 As there is no core funding available to LEPs from Government, the HotSW LEP applied to and was successful in securing £170k in start-up funding and £43k in capacity funding from Government when this became available on a temporary basis. This money has allowed the HotSW LEP to perform a number of activities that were vital in establishing a functioning partnership and to further increase the HotSW LEPs understanding of the current economic climate of the area. This has also allowed the HotSW LEP to develop and produce its business plan.

3.8 The HotSW LEP jointly with Devon and Somerset County Councils was able to secure a potential £31,320,000 through the Broadband Delivery UK programme to ensure that 90% of the rural area has access to and was covered by superfast broadband. Superfast broadband is seen as being extremely important to the businesses within the HotSW area due to the lack of transport infrastructure within the area.

3.9 By the summer of 2012 the LEP had reached a position whereby potentially it was going to run out of cash-flow. Endeavours are being undertaken, somewhat belatedly, by the LEP to provide itself with a firmer financial footing by including administrative costs within any funding bids and using any funding creatively. Since its beginning, there have been two calls for funding from the Local Authority partners, Plymouth City Council provided the LEP with an initial £10,000 contribution to aid in the initial start-up and has recently been asked to provide a further £20,000 to the LEP for running costs. The latter amount has not yet been paid as the Leader wishes to establish on what basis this would be in the interests of the Council and its residents.

3.10 In January 2012, the Partnership signed an agreement with UK Trade & Investment (UKTI), making it the official body responsible for coordinating foreign direct investment. HotSW works closely with UKTI to promote the area to potential overseas investors. This should ensure enquiries are sent to the LEP and partners are made aware. To date, Plymouth has seen no uplift in the number of enquiries coming through this route.

3.11 A £21.5 million Growing Places Fund was awarded to the LEP in February 2012 to unlock stalled development projects throughout the area. The Fund is designed to enable distribution of loans to capital projects and developments that have already secured planning permission and are ready to commence, but have been postponed for financial reasons. The Government's intention was and is that this Fund should be handled in a speedy, non-bureaucratic way. A number of Plymouth projects are still awaiting LEP decisions on applications in to the Growing Places Fund and accordingly the city has not benefitted from it to date.

3.12 The LEP was successful in becoming one of five national pilots for the Rural Growth Network initiative, spearheading a national drive to encourage economic growth and enterprise in rural areas with an award of £2.9m. This initiative does not apply to urban areas such as Plymouth.

3.13 The HotSW LEP has also had a number of unsuccessful bids for initiatives and funding. In 2011 LEPs were invited to develop applications to establish Enterprise Zones. The HotSW put forward two applications to Government, one identifying areas in Plymouth as possible sites worthy of Enterprise Zone status and one that focused on sites primarily in Somerset but also in some parts of Devon. Neither of the applications was successful. Most LEP areas submitted single bid into the Government. The HotSW also failed in its own bid for RGF Round 3 monies, the intended use of which was to supply grants / loans to projects to encourage and lever in private sector funding to help to unblock projects that would create jobs and positively impact on the economy of the area. The LEP would have been able to provide such grants to smaller schemes unable of applying to RGF on their own because of the substantial bidding threshold set by the RGF.

4.0 The HotSW LEP and Plymouth

4.1 Plymouth City Council (PCC) alongside the other upper tier councils was an active participant in the formation and initial start-up activities of the HotSW LEP, helping to design and write the proposal for the initial approval by Government for the LEP to be formed. PCC has also provided continuing support to the HotSW LEPs through officer membership on many of the groups that have subsequently been set up to aid the functioning of the LEP. The Council's Leader, Councillor Tudor Evans, sits on the Board and the Head of Economic Development is a member of the Executive Group and newly formed Finance and Resources group. A number of other members of the economic development team also occupy positions on various sub groups of the Board including the Technical Officers Group, which is focused on the Economics of the area. This commitment adds up to a significant impact on Member and officers' time but is considered necessary in order to try to ensure that a Plymouth message is considered by the LEP. The LEP currently has an Interim Chief Executive and an Interim Executive Assistant and no other staff. Proposals are currently being worked up for the potential appointment of a Chief Executive and support officer. It is therefore highly likely that the LEP will continue to rely heavily on councils, universities and other organisations and individuals to carry out its business, due to the paucity of its staffing numbers.

4.2 The HotSW LEP has recently indicated support for PCC regarding exploration of a potential City Deal with Government. The HotSW LEP also helped in lobbying activities aimed at getting improved rail connectivity between Plymouth and London. Using its communication channels to Government the LEP has also provided support for a number of Regional Growth Fund bids that were developed by businesses located in and around Plymouth. These bring investment and potential new jobs in to the city.

4.3 Although the HotSW LEP has provided support through lobbying activities to certain projects that were initiated by Plymouth, it has not targeted any of its resource or initiatives specifically at Plymouth to date.

5.0 Conclusions

5.1 LEPs are very different entities from RDA's; they lack the resource that RDAs had both in terms of funding and capacity. LEPs are private sector led partnerships that cover often quite diverse geographies.

5.2 LEPs are seen by Government to be key drivers for the growth agenda despite not receiving funding. The lack of funding creates significant problems for LEPs, such as HotSW, to overcome before implementing strategic decisions that are meant to have a positive impact on the economy of the area. The remit for LEPs is ever increasing without commensurate resources.

5.3 There is no clear way in which the HotSW LEP can continue to function and sustain itself in its current format without a substantial amount of support from the local authorities (and others), both in terms of financial and human resources. A group has been set up to address this issue but this is not an issue that is faced solely by the HotSW LEP. The Government must decide whether LEP's have had the impact they hoped for. Certainly in Plymouth, there is to date no evidence that a LEP is more effective than a Regional Development Agency.

5.4 Plymouth City Council will continue to engage with the HotSW LEP where it is clear that there is a benefit for Plymouth, Currently this benefit is primarily shown through lobbying support to projects that Plymouth intends to implement and push for of its own accord; the LEP's support is nevertheless very much welcomed and appreciated.

5.5 The Panel may wish to consider as a result of this report whether it wishes to establish a Task and Finish group to look further at the activities of the HotSW LEP in order to come to a view as to how well it is serving Plymouth, the wider HotSW area and whether the City Council can, or should, further develop its commitment to the Partnership.

Appendix 1

Heart of the South West Local Enterprise Partnership

Enabling Growth and Prosperity

Business Plan

HEART OF THE SOUTH WEST

Contents

1.	Executive Summary	2
2.	Our Vision for the Heart of the South West	3
3.	Objectives, Opportunities and Initiatives	6
4.	Operational Milestones and Measures of Success	13
Annex A: LEP Roles and Responsibilities		16

1. Executive Summary

This business plan is designed to guide the activities of the Heart of the South West LEP over the next 3 years. It provides a framework to inform activity as well as details of how the LEP is structured and will operate on a day to day basis. The business plan has been developed by the LEP Board.

The Role of the LEP

The LEP is a strategically focused organisation, which draws extensively on the resources, energy and commitment of its partners. Our primary organisational objective is to lead and influence outcomes for the Heart of the South West economy to improve economic growth and job creation. Whilst we are not a delivery body, we will work with those who are and align funding to secure added value. Our roles are to:

1) **Champion Priorities:** Identify the important challenges and opportunities facing our economy, set out priorities for economic growth and prosperity and promote these priorities to businesses, policy makers and investors.

2) **Secure Investment**: Influence investors to support our objectives and help advance our priority initiatives to achieve growth.

3) **Lead and Co-ordinate**: Bring partners together to align their activities, policies and investments with our vision and objectives. This will allow us to draw on our existing strengths and distinctiveness and give critical mass.

4) **Share Insight**: Ensure intelligence from and perspectives of our partners are embedded in policy and investment decision-making.

Communicating with Key Audiences

There are a significant number of organisations that play a part in the economic growth of our economy. The LEP Board and partners will engage with key stakeholders and be inclusive and open in all communications. There are four key audiences with which we will develop strong and formal relationships:

- **Businesses**: Without the active involvement and support of the HotSW business community, the LEP cannot achieve its aims and objectives. We are committed to providing fast, effective communication for our businesses and social enterprises, whatever their size. Formally, through the Business Forum and informally, through open dialogue with the HotSW Executive Group we aim to become a viable sounding board for those who create economic growth.

- **Central Government**: Building upon our extensive access to policy makers, we will represent the needs of our economic community. We will lobby Government for improved infrastructure and investment in order to support our objectives and those of our partners.

- **Local Government**: We recognise the importance of our relationship with our local authority partners. They play a fundamental role in ensuring that the objectives outlined in this plan turn into actions and deliver results. We also recognise that our LEP can support greater collaboration and efficiency, giving greater impact.

- **Investors**: We will be the key interface with potential investors and funders, working actively with others to promote our area locally, nationally and globally. With appropriate partners, we will support businesses in securing increased investment, enabling them to grow.

2. Our Vision for the Heart of the South West

Vision

*To create more **sustainable** jobs by supporting and promoting our enterprises and capitalising upon the unique opportunities existing in the Heart of the South West.*

We will achieve our vision and goals in partnership with the business community, investors and the public sector. We will commit our energy and influence to four strategic priorities:

- **Drive Productivity and Enterprise:** By stimulating greater innovation and creating an economic environment, we will support the competitiveness of businesses and social enterprises. This will enable them to make better use of their knowledge assets in order to drive forward an enterprise culture and exploitation of new communication technologies. We believe this will provide the best possible platform to encourage new business growth and improve productivity.

- **Attract New Business and Investment**: By supporting businesses to compete both within the South West and outside in the wider global economy, we will help our businesses exploit opportunities to extend their customer and supply base. We will also work with partners to encourage new collaborations and develop exporting opportunities. Finally, we will raise the profile of our area for inward investment and secure additional funding.

- **Maximise Employment Opportunities**: By ensuring that people living in HotSW areas acquire, maintain and enhance the skills and aspirations needed to secure fulfilling, long-term employment. We will work to stimulate employment growth and encourage the retention of relevant skills within an ageing workforce, while taking advantage of graduate opportunities.

- **Promote Infrastructure to Connect with Markets**: By making the case for critical infrastructure which will allow South West businesses to access opportunities and compete effectively**.**

Vision and Objectives

Our Vision

To create more sustainable jobs by supporting and promoting our enterprises and capitalising upon the unique opportunities existing in the Heart of the South West.

Objectives

- **Drive Productivity and Enterprise**
- **Attract New Business and Investment**
- **Maximise Employment Opportunities**
- **Promote Infrastructure to Connect with Markets**

Focus: Innovation, Manufacturing, Green Economy, Rural Productivity, Tourism, Nuclear and Marine

Focus

We will support economic prosperity for all our communities and business sectors, taking advantage of growth opportunities to drive productivity and increase average wages. By creating the right economic conditions for growth for our indigenous businesses, we will also attract new investment to the area creating a more diverse economic base and increasing private sector jobs.

When faced with competing priorities, we will support those that will achieve the most in terms of delivering our vision.

How the HotSW LEP will operate

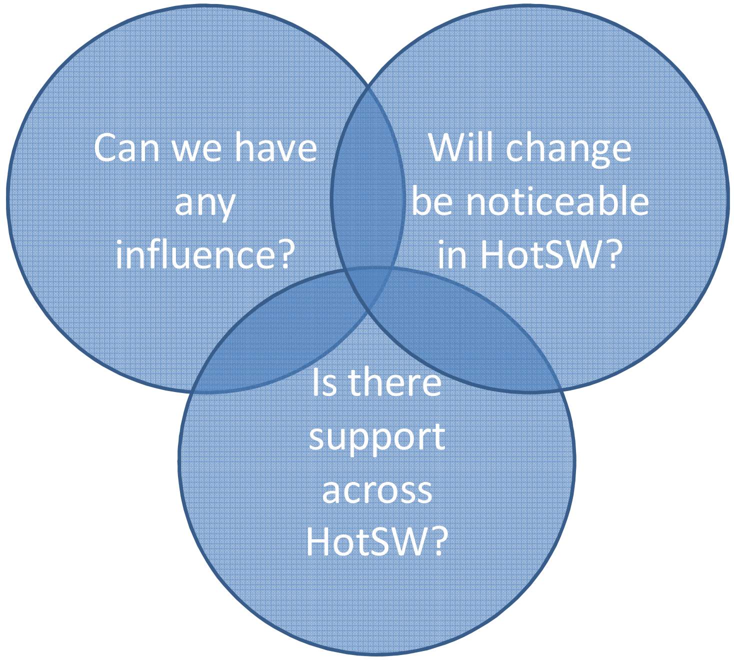
The HotSW LEP's greatest asset will be our ability to exercise influence over investors, delivery organisations and policy makers. The outcomes of this influence will be the best measure of our success.

The LEP will remain strategically focused and our work will be guided by a set of core operating principles:

- **Led by the Private Sector**: The LEP is a broad partnership committed to articulating the economic growth opportunities and challenges faced by business and social enterprises.
- **Dedicated to a strategic and balanced economic growth plan:** We will concentrate efforts on developing an overarching economic policy with our partners. We will be responsive to emergent opportunities, but will concentrate on our four strategic objectives, only supporting those that relate to the long-term growth in jobs and prosperity and joint locally-focussed initiatives.
- **Partnership Working**: We will work to influence stakeholders while remaining open and responsive to the business leaders, grassroots micro businesses and social enterprises that drive the majority of business activity within the LEP. Maintaining dialogue and sharing resources with appropriate organisations, neighbouring LEPs and other external partners will be a fundamental part of our work. We will use the insights, capacity and energy of our partner organisations where we can and only build our own in-house team where no alternative exists.
- **Influencing Funding:** Rather than pursue funding sources on an *ad hoc* basis, we will influence funders to respond to our needs and objectives by developing and maintaining appropriate relationships at local, national and European levels.
- **Shaping Policy Development:** Maintaining, building and influencing dialogue at all levels will ensure that our influence has the greatest impact and reaches the most appropriate stakeholders.

How we make decisions

The LEP has limited resources and needs to make tough choices about where to invest its influence, time and energies. Three test questions have been applied to determine our priorities. These will also form an important part of the board's ongoing decisions making process:



3. Objectives, Opportunities and Initiatives

Objective: Drive Productivity and Enterprise

- We have a skills profile that is geographically variable, with some areas (such as Bideford and Torquay) having very low levels and others(such as Plymouth) particularly high;
- There are specific issues in relation to the skills of younger people, masked in

statistics by our relative high qualification levels generally,

- We have two world class Universities producing high quality graduates but low levels of graduate retention in the local labour market;
- We are acknowledged as national leaders in the development and support of Social Enterprise
- There is a strong network of local FE colleges with clear links to local sectoral strengths (such as the nuclear skills academy, University Technical College, land based colleges etc).
- Evidence suggests lower levels of apprenticeships available in our rural areas

The LEP will create the conditions to ensure that businesses with exciting and innovative ideas, particularly micro businesses and social enterprises, are given the best opportunity to succeed. It will seek to promote employment, create wealth and stimulate growth.

Opportunity 1: Increasing Productivity and Competitiveness

The LEP has a key role in creating a competitive and productive environment to stimulate business creation and growth, by encouraging and identifying opportunities for enterprise and innovation and supporting local purchasing.

Initiative: Encourage the development of targeted support for local businesses to participate in supply chain opportunities and inter-trading across the area. This will stimulate an environment where wealth is retained within the local economy and will ultimately support job creation.

Opportunity 2: Stimulating Innovation

Support the creation of collaborative networks driving innovation; these will encompass universities, further education colleges and service providers and will specifically encourage entrepreneurs. Concepts of collaboration are central to our enterprise and innovation vision for the Heart of the South West.

Initiative: In conjunction with the Business Forum, we will encourage the development of 'Innovation Platforms' to support local businesses with growth potential. With our partners, we will seek to bring capitalise the existing range of innovation support services, making them more accessible and giving critical mass.

Opportunity 3: Securing Business Investment

Lack of investment was identified as a key barrier to growth by nearly a third of respondents to our business survey. We will work with our other partners to improve access to finance for businesses, from start-up companies to expanding enterprises, supporting those with growth potential in particular, building on successful initiatives and extending these across the area.

Initiative: We want the HotSW area to be one where no good business idea fails due to lack of support or finance. We will develop a coherent infrastructure that connects early and later stage ventures with the right sources of funding, including loans, grants, venture capital and business support. We will use our influence to drive up both the volume and value of business transactions and to help to secure a dedicated equity, seed fund and micro-finance fund for the area.

Objective: Attract New Business and Investment

- Around two thirds of our businesses do not currently export, and for those that do, values tend to be low (only a fifth of exporting businesses saw export values over £200k in 2010).
- We have excellent academic links with partners in some of the fastest growing global economies: we should capitalise on those.
- Our high quality environment is a principal driver of inward investment, but the expertise and skills of our labour force and wider business conditions are less recognised.
- We have benefited from significant European investment.

In partnership with UK Trade and Investment (UKTI), we will reach out to new markets and explore new opportunities. We will widen our horizons, forging new partnerships whilst also promoting the Heart of the South West as a place to do business; stimulating inward investment and business relocation.

Opportunity 1: Increase both the numbers of businesses exporting and the value of exports

Commit to ensuring all businesses that want to export should be able to do so.

Initiative: Facilitate a programme of activity to promote export opportunities focused on supporting SMEs that have the potential to export but are not currently doing so. This would include researching options to develop international supply chains.

Opportunities 2: Stimulate inward investment

Address directly any negative perceptions of our area as a place to do business and invest. Build upon high profile recent successes to showcase the HotSW area to potential investors.

Initiative: Take a proactive role in supporting inward investment and marketing, working with local authorities and UKTI to ensure that consistent messages are promoted. We will welcome new investors and liaise with interested companies, communicating the needs of potential investor companies to planning authorities.

Opportunity 3: Secure European Funds

Ensure that the business and structural economic needs of the HotSW LEP are recognised and reflected in future EU fund allocations and focus.

Initiative: Champion the case for additional funds with EU and central government, particularly where this supports key locations as centres of excellence.

Opportunity 4: Capitalise upon being a Gateway Location

Ensure that we capitalise upon our direct and indirect gateways into international markets.

Initiative: Support the expansion of transport hubs and marine assets to create a wide range of new commercial opportunities such as access to international ports and recognition of marine energy assets. We will also build our IT capacity to access world markets and enhance our international tourism opportunities.

Objective: Maximise Employment Opportunities

- We have a diverse geographical area with a range of different workforces, skills challenges and opportunities (some areas have very low levels skills and others significantly higher level skills).
- There are specific issues in relation to the skills of younger people, masked in statistics by our relatively high qualification levels.
- We have two world class universities but low levels of graduate retention in the local labour market.
- There is a strong network of local further education colleges with clear links to local strengths in specific sectors.
- We are acknowledged as national leaders in the development and support of Social Enterprises.
- The demographics of the region include an ageing profile, which we should capitalise on

One of the key drivers of innovation and business growth is the presence of a workforce with the relevant skills that businesses need to innovate and grow, in order to be competitive in a global economy.

Opportunity 1: Develop a high quality workforce to meet business needs

Whilst the immediate response to the recession was to focus on need, supporting economic rebalancing requires that we now focus on opportunities. Evidence suggests that some businesses are having difficulties recruiting, even at a time when unemployment is increasing. We will need to support and develop quality employment opportunities for our young people to help businesses benefit from their talents, as well as retaining existing employees.

Initiative: Within the wider business forum, we will facilitate dialogue to create a broad, linked set of career development initiatives. These should include apprenticeships, graduate retention projects and work placements. We will also encourage local businesses to offer both short-term work tasters and long-term work placements to schools, recent graduates and the unemployed. Additionally, we want to inspire people to set up their own enterprises and social enterprises in response to opportunities or needs in their communities.

Opportunity 2: Increase the availability and take up of apprenticeships

An apprenticeship can harness talent while also ensuring an employer's workforce meets the growth needs of the business. It can provide a more appropriate route to employment for many young people than staying in formal education. Evidence suggests that young people in rural areas find it more difficult to find apprenticeships and have to follow more typical educational routes.

Initiative: Facilitate the engagement of appropriate partners and policy makers to enable businesses within our key sectors to share apprentices and support raising the resource to maintain this.

Opportunity 3: Instil a culture of enterprise, life-long learning and career progression across all business sectors

The best businesses invest in their employees, ensuring that they develop a skilled workforce that meets their growth needs. It is important, therefore, that our skills providers work closely with our businesses to secure continuous professional development (CPD). We also have a key role in ensuring that the skills and experience of successful entrepreneurs are drawn upon to benefit those with aspirations to start or grow their own business.

Initiative: Establish a panel of HotSW Business Mentors to support local people in their career development as well as guiding new businesses and social enterprises.

Objective: Promote Infrastructure to Connect with Markets

- We have variable levels of connectivity to international and national markets: the M5 corridor is well connected, but further west and south, lengthy and unreliable travel times are barriers to growth and investment.
- Having supported partners to secure access to over £30 million of Broadband Delivery UK (BDUK) investment to upgrade broadband connectivity to at least

85% of premises, the next stage will be to address the remaining 10 - 15% and maximise take up amongst businesses to increase productivity.

- There are a number of acknowledged constraints on development of employment land, particularly linked with protected landscape and environmental designations.

One of the key barriers to business growth is the relative distance to major economic centres and markets. Whilst parts of the HotSW area have good transport links, many are less well connected.

Opportunity 1: Address existing and future constraints on business growth

Physical connectivity is a crucial priority for the HotSW. This requires a long term approach and commitment to working with Government to secure improved transport connections.

Initiative: Emphasise the need for ongoing public and private investment to improve connections into and within our area while giving specific focus to locations where current connectivity is impacting on productivity and competitiveness.

Opportunity 2: Maximise the opportunity and benefit that BDUK investment in superfast broadband infrastructure brings

Encourage ambitious aspirations for the roll out of future electronic communication technologies for the region.

Initiative: Work with and support the rural community of the HotSW to help realise the benefits of superfast broadband and encourage take up.

Opportunity 3: Support the development of a variety of housing options to complement our economic growth

It is crucial that future housing development plays a role in maintaining a stable workforce and is a driver of inward investment. This will help differentiate the HotSW as a location to invest. Social infrastructure and appropriate affordable housing are important community outcomes

Initiative: Work with planners and developers to encourage a joined up approach to future housing development to secure our economic prosperity.

Opportunity 4: Ensure that business growth and enterprise is promoted and supported through the planning system

Whilst we are committed to sustainable economic development and we value the high quality environment that underpins so many of our economic strengths, we also recognise the constraints that the existing planning and regulation framework can place on business growth. Many rural businesses that wish to expand are ultimately forced to relocate, meaning that some locations miss out on the benefits that growing businesses can bring.

Initiative: Ensure an integrated approach to economic development, we will work with with local authorities to secure greater business focus within the planning system.

4. Operational Milestones and Measures of Success

The objectives and initiatives outlined within this plan provide a menu of activities for our board, executive, partners and supporting groups to pursue. This section outlines the milestones that will help us track our progress against them.

These milestones are critical. Crucially, they will remain 'live' on our agenda and progress will be monitored on an on-going basis.

Early - Mid 2012

- Full sign up to the business plan and agreement of priority initiatives.
- Clear mechanisms established to communicate with businesses (large and micro) and social enterprise communities.
- Delivery network mapped.
- Growing Places Fund - launch and manage fund.

- Research into sector prospects completed.
- Agree mechanism for LEP review of inward investment enquiries.
- Agree specific infrastructure improvements for targeted lobbying.
- Initial dialogue with planning authorities regarding LEP perspective and ambitions regarding planning decisions.

Mid - End 2012

- Completion of brief to support the development of delivery SME export support and home worker network.
- Formal approach to government on agreed infrastructure priorities.
- In conjunction with partners to outline terms of reference for innovation platforms for local delivery.
- Provide an overview of available and future finance sources for LEP.
- Complete development of initial inward investment proposition for key sectors in conjunction with appropriate partners.
- Complete initial scoping of business mentors.

Early - Mid 2013

- In conjunction with partners, source and secure the funding to deliver SME Export Support Project and Innovation Platform.
- Concerted promotion of available finance to HotSW SMEs and social enterprises undertaken.
- Pilot of LEP involvement in planning system complete.
- Engage Business Mentor programme.

Mid - End 2013

- Innovation Platform, SME Export Support Project and Shared Apprenticeship Programme all fully operational through accountable bodies.
- New mechanisms to allocate equity finance established.
- LEP guidance on planning for growth in HotSW published.

Early - Mid 2014

- Formal review of business plan objectives and LEP structures.

Measuring our Success

Our goal is clearly outlined within our vision: we want to create more sustainable jobs. To do this we know that there are a number of different areas where we will need to influence and bring about change. As such we will track our performance in the following areas:

- Our aim in the period of this business plan is to exceed national averages on employment rates (0.4 pp difference).
- Business formation (0.9 pp difference).
- GVA per employee (£13,000 difference).

This will give us the platform to secure sustainable growth in the longer term.

We recognise that many of these indicators are either infrequently published or difficult to measure. With this in mind, we have allocated a research budget to collect intelligence. We will also compile anecdotal evidence to demonstrate the positive evolution of the HotSW economy.

Refreshing our Perspectives

As we succeed in capitalising on the opportunities before us and tackling the challenges ahead, our focus will shift onto new priority initiatives and, in due course, our strategic objectives will need to be reviewed and updated.

To ensure we remain agile and focused on changing circumstances, we are committed to:

- **Selecting priority initiatives with a two year shelf-life**: If we cannot progress the agenda and demonstrate some achievement over that time, the challenge exceeds our remit.
- **Reviewing progress on priority initiatives annually**: Each year we will report to our partners on progress in each of our priority initiatives.
- **Taking stock of our achievements every two years**: At this point, we plan to bring forward new priority initiatives or refresh the focus on existing initiatives.
- **Revising strategic priorities every three to five years**: Over the medium-term, we will review and revise our strategic objectives.
- **Maintaining a long term view to identify future growth opportunities**.

Annex A: LEP Roles and Responsibilities

The four roles we are committed to performing are underpinned by a series of tasks that partners and stakeholders can expect us to deliver.

A: Guide Priorities

1. Agree long-term strategic vision and priorities for HOTSW economy
2. Promote and share strategic priorities with partners
3. Identify opportunities to align partner priorities to HOTSW

B: Share Insight

1. Secure data, insight and intelligence
2. Analyse performance against strategic priorities
3. Disseminate insight to partners on economic challenges and opportunities

C: Secure Investment

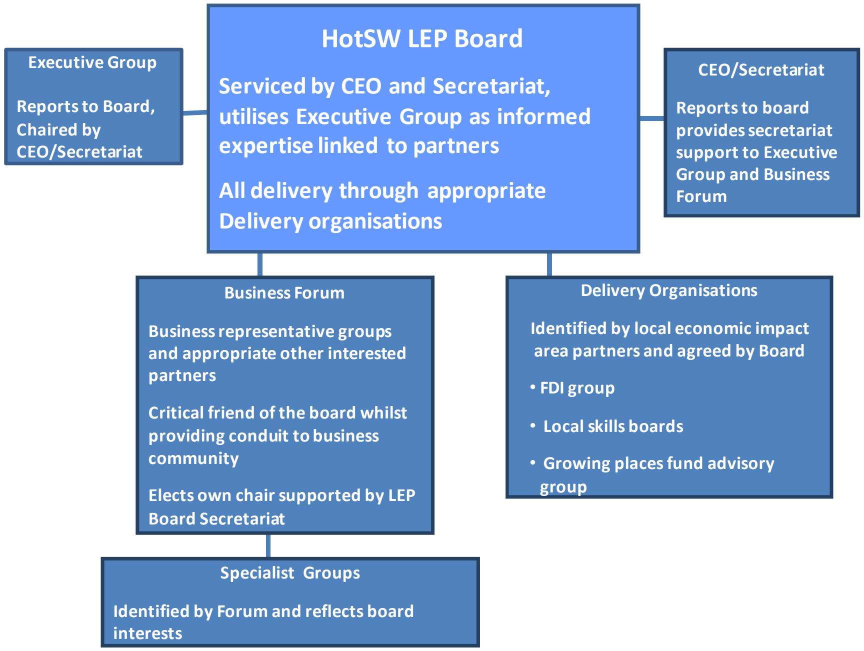
1. Promote HOTSW strategic opportunities to investors
2. Prioritise competing local investments where LEP influence is required
3. Coordination of national and regional funding

D: Lead & Co-ordinate

1. Encourage local public bodies to set policy, undertake statutory roles and deliver services in line with strategic priorities
2. Facilitate joint action among public and private partners

HotSW Organisational Structure

To perform these roles we have agreed a partnership structure which will allow the board to remain independent, impartial and flexible. At the same time, the board will also support regular two-way dialogue with our most important partners: businesses and local authorities.



The role of each element of the LEP partnership is outlined in more detail below:

HotSW LEP Board

The Board is the most senior decision-making authority within the HotSW LEP and will ensure good governance and clear decision making. It will take responsibility for setting strategic priorities for the economy and the LEP and will oversee progress against objectives.

The Board will provide impartial economic leadership, free from political and local geographical bias, focusing exclusively on the needs and objectives of the LEP. In doing this, Board members will be expected to make tough strategic choices between competing opportunities and challenges.

The members of the Board will represent the LEP within and beyond the HotSW and will be responsible for cultivating positive relationships with partners, acting as representatives and advocates for the area.

The Board will have lead responsibility for:

A1: Setting strategic vision and priorities for HotSW economy
B3: Disseminating insight and challenges to partners
C1: Promoting HotSW strategic opportunities to investors
C2: Prioritising local investments
D1: Encouraging local public bodies to operate in line with strategic priorities
Attributes for the success of the Board are:
Private sector-led
Sub-regional focus
Influence in policy and investment circles (public and private)
Productive working relationships with partners
Authoritative
Good governance

The HotSW Team

The small dedicated team of staff working for the LEP support the Board in their decision-making and provide logistical support for partnership working. Senior members of the team work with the Executive Group and Board members to complement their activities.

This team provides a contact point for partners, Government and investors and works closely with the Chair of the Board as the public face of the LEP. The team reports to the Board and has day to day responsibility for managing resources.

The HotSW team will have responsibility for:
A2: Promoting and sharing strategic priorities with partners
A3: Identifying opportunities to align partner priorities to HOTSW
B1: Securing data, insight and intelligence
B3: Disseminating insight and challenges to partners
C1: Promote HotSW strategic opportunities to investors
C2: Prioritising local investments
C3: Coordinating regional and national funding
D1: Encouraging local public bodies to operate in line with strategic priorities
D2: Facilitating joint action among public and private partners
D3: To coordinate and work with appropriate sector groups e.g Productive Skills for Devon and Somerset, UKTI Inward Investment Group etc

Attributes for the success of the HotSW team are:
Agile and modest in size
Able to influence public and private sector
Credible locally, regionally and nationally
Trusted and influential in decision-making circles
Strong research skills and policy knowledge
Highly effective engagement and promotion skills/resources

The HotSW Executive Group

The Executive Group provides the LEP with the resource and capacity to progress our priority initiatives. It is resourced by partner organisations and its composition will evolve as the agenda shifts and further resources become available.

The Executive Group will develop the detail of the LEPs priority initiatives and provide much of the resource needed to initiate new activities and implement opportunities presented to the LEP.

The HotSW Executive Group will have responsibility for:
A3: Identifying opportunities to align partner priorities to HotSW
B1: Securing data, insight and intelligence
B2: Analysing performance against strategic priorities
C2: Prioritising local investments
C3: Coordinating regional and national funding
D1: Encouraging local public bodies to operate in line with strategic priorities
D2: Facilitating joint action among public and private partners
D3: Responsible for working with the accountable bodies to deliver HotSW funding
Attributes for the success of the Executive Group are:
Skills and insight into priority initiatives and policy agenda
Ability to commit time and resource to LEP activities
Seniority to commit to policy change in partner organisations

The Business Forum

This group of business leaders from around the HotSW provides advice to the LEP on our performance. First and foremost, the Business Forum will act as a critical friend. In addition to this, it will provide the Board, Executive Group and HotSW team with insights into current and future challenges and opportunities facing the area's economy.

Over time, the Business Forum will become advocates for and participants in priority initiatives.

The Business Forum will have responsibility for:
A2: Promoting and sharing strategic priorities with partners B3: Disseminating insight to partners
Attributes for the success of the Business Forum are:
Broadly representative of key sectors and locations across the HotSW Senior decision-makers with oversight of wider issues facing the economy Commitment to the strategic objective and priority initiatives of the HotSW LEP

Core Resources

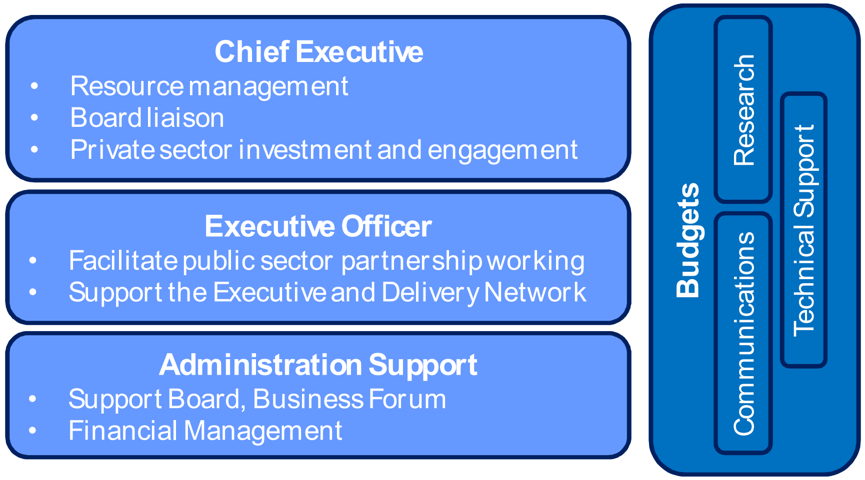
Board: Summary of Resources

The LEP Board is limited to 15 members. This includes eight business representatives, one elected member from each of the four upper tier authorities and three senior staff from the tertiary education sector. The LEP Chair and Deputy Chair are drawn from the private sector.

Business representation on the Board reflects the sector and size distribution of businesses within the LEP area.

HotSW Team: Summary of Resources

The HotSW team is deliberately small with a remit to support the Board and supplement the resources of the Executive Group. The core team of three people work closely together and work flexibly to support each other. The team is led by a chief executive supported by an executive officer and administrative support.



The team has budget available for additional support throughout the year for:

- Communications: To support engagement work with partners, raise the profile of the LEP and ensure we communicate effectively with stakeholders, specifically around our achievements.
- Research: To ensure we understand issues and challenges as they emerge and to develop the intelligence needed to make our case to investors and partners.
- Technical Support: To assist with the implementation of new initiatives and to assess the merits of competing investment options.

The LEP operates across the HotSW but the team is hosted by partner organisations.

Annual Budget

The annual budget for the operation of HotSW LEP is set out below:

Item	Cost
3 x FTE (CEO, Executive Officer and Admin) including on costs	£165,000

Research (Capacity Fund 2)	£25,000
Technical / Legal Governance	£20,000
Communications (Outsourced)	£25,000
Chair / Board Expenses	£10,000
Business Engagement	£5,000
TOTAL	**£250,000**

GROWTH AND PROSPERITY OSP

Community Events and Road Closure Policy

1 Introduction

In 2010, the Growth and Prosperity Panel established a Task and Finish Group to review the department's charges and procedures for Community Events and Road Closures. The outcome of the Task and Finish review is the draft Events on the Public Highway policy, which was adopted by Cabinet on 7th February 2012.

The policy draws on the recommendations of the Scrutiny review and details Plymouth City Council's approach, as a local highway authority, for managing pre-planned events i.e. sporting events, carnivals, parades, street parties and entertainments etc. on the public highway. This is an important step in fulfilling the Council's Network Management Duty established by the Traffic Management Act 2004, and aids in limiting the negative impact of such activities on the network.

2 Scrutiny recommendations

The five scrutiny recommendations and the subsequent actions taken were as follows:

1) *That representations be made to central government in relation to the medium used to advertise Temporary Traffic Regulation Orders (TTRO's) e.g. Local government association, department for transport, secretary of state for communities and local government.*

   Communication received from the Department for Communities and Local Government (DCLG) in February 2011, advised that the guidance on making 'special events' orders had been withdrawn by the Department for Transport, effectively removing any explicit recommendation for advertising TTRO's in newspapers. This is reflected in the policy which limits advertising of proposed TTRO's to on-street and on-line notices. Additionally, event organisers are required by the policy to undertake full stakeholder consultation on the proposed event.

   The cessation of newspaper advertising has enabled the charges for event related TTRO's to be significantly reduced.

2) *That there be an approved list of events for which the council will provide TTROs free of charge and that this will be approved by the cabinet member for transport. The list will include civic and other similar events that have been held across the city for at least the last 5 years, and will be reviewed on an annual basis.*

   The need for a list of 'approved events' was agreed in principle; however, it was established that further work was needed to determine how best to manage this situation once the new policy had been introduced and after the Events and Economic Development teams, and their associated budgets, had merged under the new Place Directorate.

   Now that this restructure has been completed, Plymouth City Council's Events team have been integrated in to the Place Directorate, providing the opportunity for all matters relating to events in the city to be coordinated, including decisions on charges.

3) *That the department of the council responsible for the decision to hold any event not included in the approved list should provide the budget for the reimbursement of the cost of the TTROs to transport & highways.*

Again, this was agreed in principle, however, as with 2, above, it was felt that this work should be progressed after the formation of the new Place Directorate when full budget implications could be properly considered.

The Place Directorate is now the focus for PCC led events and costs associated with PCC led events will, in the main, be met from the Directote's budget.

4) *That TTROs continue to be advertised in the local newspaper for all events except those falling within the criteria for street parties and fetes (pending any government response from the representation).*

The withdrawal of government guidance effectively removed the need to advertise TTRO's in the local press. The costs of such advertisements formed the significant part of the cost of the TTRO process and therefore to continue to advertise in that manner would have impacted upon the ability to reduce the charges for event related TTRO's.

5) *That a charging policy be implemented based on the proposed categories and charges, and be reviewed annually (or sooner if a change of law) with any changes to be approved by cabinet member for transport. The criteria are to be finalised by officers.*

The policy introduced a new, reduced charging regime for event road closures, with charges differentiated based upon the category of road to be closed. There are three levels of charges, Category 1, £500, Category 2, £250 and Category 3, no charge. This compares favourably to the previous blanket charge of £1000.

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GROWTH AND PROSPERITY OSP

Highway Maintenance Update

1 Introduction

Following on from the Growth and Prosperity Scrutiny Panel's review of Highway maintenance in November/December 2010, progress reports were submitted to the Panel on 11th July 2011 and 17th October 2011. This report details the actions taken since that report.

2 Scrutiny recommendations

The recommendations and progress to date are as follows:

1) *that the Transport and Highways Partnership review service levels in relation to highways maintenance to improve value for money.*

   The service levels for highway maintenance are dictated by the *Code of Practice for Highway Maintenance Management*; this recommends the intervention levels for safety defects, response times for repairing defects and the methodology for defining inspection frequencies.

   Any variation from the Code of Practice could jeopardise the Authority's defence when dealing with third party accident claims against the council; consequently, the work undertaken to date in reviewing levels of service has been undertaken in a logical, structured way in order that potential risks can be properly considered.

   For the initial stage of the review, Plymouth City Council commissioned Amey to provide a report on the reasons for highway claims against the Council. The report was completed in March 2012, and made numerous recommendations to improve the way in which inspections, reporting and repairs could be undertaken to better defend against highway accident claims.

   Following on from this initial piece of work, and following legal advice, a review has been undertaken of the Council's existing Safety Inspection Policy to ensure that it is sufficiently robust to defend against claims. The review has considered the current inspection regime and has identified changes that better aligns to the Code of Practice and adopts a new road hierarchy. This has been undertaken in partnership with the Council's Risk and Insurance team, and is due to be submitted to Cabinet for approval in November 2012.

   Finally, a further piece of work is due to be commissioned that will consider options and recommendations for changes to defect response times to enable repairs to be dealt with more efficiently. It is proposed that changes will be considered and risk assessed against the new proposed road hierarchy. Consideration will also be given to alternative repair techniques.

2) *that highways maintenance be assured of greater emphasis within the transport and highways capital programme alongside new works, but not at the expense of other areas of prioritised work;*

   Local Transport Plan (LTP) capital expenditure on carriageway resurfacing and reconstruction was increased from £1.187m in 2010/11to £1.820m in 2011/12. This budget was used to progress the Operation Upgrade campaign.

An additional £1.3m was made available in October 2011 for carriageway resurfacing. This funded additional works under the Operation Upgrade banner in the 2011/12 financial year, although £161,000 has been carried forward to 2012/13.

For 2012/13 the Local Transport Plan (LTP) the total capital allocation for carriageway resurfacing and reconstruction is £750,000 in the addition to the £161,000 carried forward from 2011/12. Additionally, £257,000 has been allocated to footway resurfacing. The reduction on last year's capital allocation reflects the need to fund other priorities within the 2012/13 transport capital programme, including the maintenance works for Laira Bridge.

3) *that an Invest to Save Bid be submitted by officers to successfully secure additional capital funding;*

Officers have been considering options that would make positive in-roads to the footway maintenance back-log whilst reducing the number of insurance claims against the authority arising from trips and falls. Consequently, the council's insurance premiums, and by extension, the Transport and Highways' insurance contributions may be significantly reduced over time. This would enable footway revenue expenditure to be diverted into carriageway repairs.

In October 2011, it was reported to the panel that a viable business case could not be made for an Invest to Save Bid in the City Centre and the St Peters and the Waterfront areas and that officers were considering a lower cost option involving the introduction of an additional, dedicated works gang into these areas to improve reactivity to safety defects and to make smaller scale permanent repairs to defects before they present a risk to safety. These areas have been singled out as accident claims in these areas contribute to greater proportion of footway claims in the city.

Further analysis of accident data and historical defect reports in these areas is required before an Invest to Save bid can considered. This is currently underway and is likely to be completed in 2012.

4) *that despite the current difficult economic climate and the budget position of the authority, the council should consider giving a higher priority to highway maintenance needs over and above other priorities included in the Council's Capital Programme;*

Currently the Council's Capital Programme is fully committed but the Transport and Infrastructure will continue to work with the Capital Delivery Board to seek additional funding in particular from external sources, e.g. commuted sums from developers and Section 106 funding.

5) *that the Council's Insurance Reserve be reviewed to identify whether an element could be diverted to planned preventative term maintenance instead;*

Following discussions with the authority's Risk and Insurance team there may be scope to divert an element of the council's insurance reserve, although this would be subject to satisfactorily reducing the risk of claims arising. This is linked to the work described in recommendation 1 and 2, above, which would ensure that suitable levels of service and procedures are in place to reduce claims.

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Growth and Prosperity Overview and Scrutiny

Draft Work Programme 2012/13

Work programme	**J**	**J**	**A**	**S**	**O**	**N**	**D**	**J**	**F**	**M**	**A**
General items											
Departmental verbal updates (as required)		**4**									
Update on Government Policy changes		**4**	**1**	**19**		**21**			**20**	**1**	
Local Economic Partnerships – Heart of the South West				**19**							
Economic Development											
Minutes of the Growth Board			**1**								
Events and Visitor Plan						**21**					
Youth Unemployment Update / Plan for Jobs						**21**					
Connectivity: Broadband				**19**							
Commercial Assets Stratgey											
*Welfare Reform Pooling of Business Rates				**19**							
Inward Investment						**21**					

Work programme	J	J	A	S	O	N	D	J	F	M	A
Transport & Highways											
Community Events and Road Closure Policy Update (Briefing Paper on policy)				19							
Evaluation of Gydnia Way Changes			1								
Connectivity: Rail Franchise											
Highways Maintenance (inc. cycle tracks and Transport and Highways Partnerships)				19							
On street parking review (briefing paper and presentation)			1								
On Street Trading											
Planning Services											
Local Development Framework Annual Monitoring Data (web based presentation)									20		
Private sector Housing Stock Condition (briefing paper)						21					
*Housing Delivery Plan						21			20		
Guidance on use of resources in connection with planning applications				19							

Work programme	J	J	A	S	O	N	D	J	F	M	A
Plymouth Plan – update										May	
Market Recovery Scheme				19					20		
City and Council Priorities											
• Delivering Growth											
• Raising Aspiration											
• Reducing Inequalities											
• Value for Communities											
Other Topics											
Joint Finance and Performance Monitoring including LAA Performance Monitoring (subject to the Overview and Scrutiny Management Board referring issues to the Panel)											
Bi-annual Scrutiny Report											
Task and Finish Groups											
Subsidised bus routes/cross ticketing/patronage/accessibility											
Youth Unemployment (young people with special educational needs and disabilities) (Joint T&F Group)											

Key
*** New item**

N.B – items will be automatically deleted from the work programme once they have been considered by the Panel.

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