

**Coventry, Warwickshire and Hinckley & Bosworth Joint Committee  
for Economic Growth and Prosperity**

**Friday 29<sup>th</sup> November 2019**

**2.00pm**

North Warwickshire Borough Council

Council Offices, South Street, Atherstone, Warwickshire

Chair: Cllr David Humphreys

**AGENDA**

- 1. Welcome; introductions and apologies**
- 2. Minutes of the meeting – 30<sup>th</sup> November 2018**
- 3. Matters arising**
- 4. Coventry and Warwickshire Local Enterprise Partnership – Overview and Scrutiny Proposal - Report attached**
- 5. Report on Market Signals on Employment Land – Report attached**
- 6. Any other matters of Public business which the Chair decides to take as a matter of urgency**

## **MINUTES**

### **Coventry, Warwickshire and Hinckley & Bosworth Joint Committee for Economic Growth and Prosperity**

**Friday 30<sup>th</sup> November 2018**

Hosted by Rugby Borough Council

#### **Present:**

Councillor Michael Stokes (Rugby Borough Council) – Chair

Councillor Julie Jackson (Nuneaton and Bedworth Borough Council)

Councillor David Humphreys (North Warwickshire Borough Council)

Councillor Andrew Mobbs (Warwick District Council)

Councillor Tony Jefferson (Stratford on Avon District Council)

Councillor Mike Hall (Hinckley and Bosworth Borough Council)

Councillor Izzi Seccombe (Warwickshire County Council)

Paula Deas (Coventry and Warwickshire LEP)

#### **1. Welcome; introductions and apologies**

Councillor Stokes welcomed everyone to the meeting and read out a number of apologies.

#### **2. Minutes of the meeting – 20 July 2017**

These were agreed as a true record

**3. Matters arising**

None

**4. Sub regional Local Plans Update and Strategic Planning Pathways**

Mark Andrews (Coventry City Council) presented a report which had been circulated with the agenda.

The effectiveness of the recent collaboration between Local Authorities in the Coventry and Warwickshire Housing Market Area was noted, together with the immediate proposals to continue this work.

The recommendations in the report were therefore agreed and Planning Officers tasked with preparing further information on joint spatial planning work for further consideration by Members.

**5. Any other matters of Public business which the Chair decides to take as a matter of urgency**

No such matters

**Agenda item 4**

**Coventry, Warwickshire and  
Hinckley and Bosworth Joint  
Committee**

**29<sup>th</sup> November 2019**

**Coventry and Warwickshire Local  
Enterprise Partnership ( CWLEP) –  
Overview and Scrutiny Proposal**

**1 Summary**

- 1.1 This report seeks to Members' agreement to establish an Overview and Scrutiny sub committee to provide oversight of the Coventry and Warwickshire Local Enterprise Partnership ( CWLEP)
- 1.2 This report seeks Members agreement to identifying nominations for the Overview and Scrutiny sub committee.

**Recommendation to the Committee**

**That the proposals within the report be agreed**

**2 Report**

- 2.1 Members who are Directors of the (CWLEP) will be aware that a number of proposals have recently been made by Government to strengthen Local Enterprise Partnerships.
- 2.2 The Government's 2018 report can be found at [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/728058/Strengthened Local Enterprise Partnerships.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/728058/Strengthened_Local_Enterprise_Partnerships.pdf) and amongst other things includes proposals to increase further the transparency and scrutiny that LEPs are subject to.
- 2.3 As is acknowledged in the report, LEPs have made great improvements over the years, and for the CWLEP this of course culminated in all Local Authorities having a seat at the Board, to allow democratically elected Councillors to be more fully involved in the CWLEP decision making process. CWLEP secured an exceptional rating for "Governance" in the 2018 Annual Performance Assessment and strives to be best in class for transparency and collaboration.
- 2.4 Government wish to add to this:

The Government will **support Local Enterprise Partnerships to set out how they will ensure external scrutiny and expert oversight**, including participating in relevant local authority scrutiny panel enquiries to ensure effective and appropriate democratic scrutiny of their investment decisions.

- 2.5 It is suggested that this is most efficiently done by adding an Overview and Scrutiny function to the Joint Committee, as the forum in which all Local Authority partners come together to discuss sub-regional matters.
- 2.6 Given that most Council Leaders who attend the Joint Committee are Directors of the CWLEP it is suggested to form a sub committee to discharge this function to avoid CWLEP Directors having a conflict of interest. The meetings will be in public and Appendix 1 shows how this will fit to the overall governance structure of the CWLEP.
- 2.7 Due to the nature of CWLEP's business the sub committee will not work in exactly the same way as a Local Authority's scrutiny function, with no detailed rules regarding 'call in' and a moratorium on decisions being effected. The sub committee will however still have a wide 'overseeing/reviewing' role, be able to ask to see information and make recommendations to the CWLEP Board. A set of terms of reference will be drafted for consideration at the first meeting of the sub committee, including the issue of inviting or co-opting representatives from other agencies as required. The recent CWLEP AGM provided a review of 2019 in the form of a presentation and this is the kind of material that would be considered at any agreed Overview and Scrutiny Sub Committee. That review is attached to this report as Appendix 2.
- 2.8 It is expected therefore that this sub committee will provide valuable and constructive feedback to build on the excellent collaboration and consensus which has been a hallmark of the CWLEP arrangements.

The Contact Officer for this report is Steve Maxey (01827 719438).

Coventry, Warwickshire and  
Hinckley and Bosworth Joint Committee

29th November 2019

Employment Market Signals Report

**1. Summary**

**This report seeks to introduce and raise awareness amongst members of the Joint Committee of the major sub regional employment market study, which has recently been published. The CWLEP Board is programmed in January 2020 to discuss and agree actions relating to the extensive recommendations and proposals as set out in the report. This report is therefore seeking to gather initial views and ideas of the Joint Committee and help shape responses for a wider debate.**

**2. Background**

In 2018 the Coventry and Warwickshire local authorities and the CWLEP jointly commissioned work to examine the current sub regional employment land market. The study was commissioned in line with policy guidance, that requires all local planning authorities to monitor and assess current trends and likely changes that impact on the future provision of employment land-so called "Market signals ". After an informal competitive tender process, a team led by employment specialist consultancy BBP Regeneration was selected to carry out the work which was delivered earlier this year .It was recently published by the commissioning group.

The study looked at current patterns of demand for employment land and accommodation and seeks to assess in broad terms how well the current supplies of land and property fit with the changing market. The study is not an attempt to quantify future employment land requirements as carried out to prepare development plans. It does represent an up to date evidence base that can, in due course, be used to inform future assessments and patterns of allocation across the C&W LEP operating area.

The methodology underpinning the work comprised research, analysis and consultations with both public and private sectors involved in the market over several

months during 2018. It also contained a survey of a range of C&W businesses in all sectors. In order to provide context for the work, the study examined changing national and regional trends.

### **3. Report findings**

One key set of findings relates to the success of the C & W local economies and the rapid growth and take up of property and land. This is particularly strong in some key sectors such as the automotive, distribution and AME sectors. Overall, the study confirms that employment land has been taken up at rates well above what was assumed in most of the individual development plans.

While the study generally offers a positive prognosis for the continued growth of the sub regional economy, it warns that due to growth pressures, the take up of property is high, rents have risen and much stock of premises has been taken by higher value land uses notably housing. It also points out that there has been a marked decline in spare capacity in the labour force and this could also act as a brake to economic growth. There are interesting observations about development viability the study shows how new sites are driven by market forces to the “top end” of the market and this favours the development of larger units, sometimes referred to as “Big Boxes”.

In terms of new build, the market has been driven by distribution and logistics sectors, which requires sites well related to the national highway network. More recently there are “signals” of activity in the large scale industrial / manufacturing units and multipurpose flexible “boxes” that might accommodate distribution, manufacture and office functions under one roof. These developments throw up the highest demand and their resulting values/rents distort overall prices across the whole market and create general inflationary values across all sectors.

The study brief highlighted the central issue of “affordability” of stock. This is a matter that has come through strongly from work done by both the Growth Hub and the Inward Investment teams and is seen as a constraint that impacts most on the SME sector. The main conclusions;

- Confirm gaps in stock and the fact that many businesses are unable to move or expand because of rising rents and freehold prices.
- Most businesses are “holding on to what they have got” and not moving again dampening market movement, “churn” and suppressing growth.
- Development viability particularly build costs for both refurbished and new build are not affordable to many smaller companies who are prepared to suppress potential expansion to maintain lower rental levels.

The report charts the growing trend and a realisation amongst local authorities across the country that in order to provide a balanced wider employment provision the public sector should be getting more involved in providing employment accommodation either on its own or in partnership. Indeed, it suggests this may be

the only way to meet certain requirements and provide certain types of space /premises . In concluding sections of the report, the study identifies several general areas for greater public intervention and involvement in the land and property market.

These general areas are:

(1). **Use of Planning Policies** - this includes a more disaggregated approach to provision and policy aimed at types of provision. Stricter control of change of use to prevent loss of employment land. Creative use of planning agreements to secure a wider spread of property, for example by using s106 Agreements.

(ii) **Tackling “affordability” of stock** - a range of measures are set out requiring greater involvement by the public sector .These include direct development of local authority land ,the use of rent guarantees, business rate relief,

(iii) **Other potential Public interventions** - it identifies a range of potential initiatives including financially and legally based interventions such as JV’s, rent guarantees, grants, loans, rates.

The key theme running through the study is that a more sophisticated and “nuanced” approach to the future provision of employment property land is required to meet the changing nature of economic growth and employment.

#### **4. Next Steps.**

The CWLEP sees this as an important piece of work .It contains a wide range of suggested actions and initiatives to help improve the balance of employment provision across the sub region .The CWLEP wants to explore in more detail some of these proposals and in particular to test the “appetite”of the public sector to take a more proactive role in employment provision for the sub region.

The contact officer for this report is Bill Blincoe (0300 060 3747)