

-BATH AND NORTH EAST SOMERSET

ECONOMIC AND COMMUNITY DEVELOPMENT POLICY DEVELOPMENT AND SCRUTINY PANEL

Thursday, 20th November, 2014

Present:- Councillors Robin Moss (Chair), Cherry Beath (Vice-Chair), Nathan Hartley, Patrick Anketell-Jones, Brian Simmons, Andrew Furse, Geoff Ward and David Martin

42 EMERGENCY EVACUATION PROCEDURE

The Democratic Services Officer drew attention to the emergency evacuation procedure.

43 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

There were none.

44 WELCOME AND INTRODUCTIONS

The Chairman welcomed everyone to the meeting.

45 DECLARATIONS OF INTEREST

There were none.

46 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN

The Chairman informed the Panel that he would address the Cabinet on the issue of adequate provision of parking spaces for disabled outside the Keynsham Leisure Centre. The Chairman also said that he would need to address the Cabinet on behalf of the Panel, and for that reason he had asked for a cross-party support from the Panel.

The Panel unanimously **AGREED** that the Chairman should address the Cabinet on the issue of adequate provision of parking spaces for disabled outside the Keynsham Leisure Centre.

The Chairman added that he would draft a statement and circulate to political groups' spokespersons for approval before the next Cabinet meeting.

47 ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE DEPUTATIONS, STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

The Chairman informed the meeting that Susan Charles had sent her statement, which he read out in her absence.

In summary, Susan Charles expressed her concerns on the issue of adequate provision of parking spaces for disabled outside the Keynsham Leisure Centre.

The Chairman commented that the Panel had discussed this matter under Urgent Business Agreed by the Chairman item.

A full copy of the statement is available on the Minute Book at Democratic Services.

The Panel noted the statement.

48 MINUTES

The Panel confirmed the minutes of the previous meeting as a true record and they were duly signed by the Chairman.

49 CABINET MEMBERS' UPDATES (15 MINUTES)

The Chairman informed the meeting that the Panel had received an update from Councillor Ben Stevens (Cabinet Member for Economic Development) and invited Councillor Stevens to highlight the main points in his update.

Councillor Stevens took the Panel through his update (attached as Appendix 1 to these minutes).

Members of the Panel welcomed an extensive update from Councillor Stevens.

Members of the Panel requested more information on the London Rd regeneration project in the update for the next meeting of the Panel. The Panel also said that an update could have more information on demolition of Bath's last remaining gas tower, and more information on the BDUK.

The Panel commented that the Council would need to insure that there must be enough car parking spaces in Bath for traders and visitors, in particular to those going to theatres and cinemas.

The Chairman thanked Councillor Stevens for his update.

Councillor Stevens then took the Panel through his update on a visit to China (attached as Appendix 2 to these minutes).

Members of the Panel welcomed the update and rationale behind the visit.

Councillor Stevens reminded the Panel that he was aware that the Panel had asked for a cost benefit analysis of the China trip, but he didn't feel that would be useful at this stage. As always with these programmes of developing economic relationships, the costs had been upfront and the benefits had been 'predicted'.

The Chairman thanked Councillor Stevens for his update.

50 PLACE - MEDIUM TERM PLAN UPDATE (45 MINUTES)

The Chairman invited Louise Fradd (Strategic Director for Place) to introduce the report.

Members of the Panel debated the report and highlighted the following issues:

- Restructure of services – It is about delivering better service but it should not happen all the time.
- Support for introduction of Heritage Tax
- Suggestion for an increase of 50p to Roman Baths entry
- Support for the River Corridor funding
- Victoria Art Gallery – charging for special events
- Support for inclusion of Bath Pavilion into leisure programme
- Suggestion for creation of formulae to attract more one-day visitors to stay in Bath
- Support for £100k allocated to Sawclose pedestrianised highway space
- Risk and needs assessment of the Rail electrification and Park & Ride
- Voluntary Tourist Tax – officers had been looking into that
- A request for a breakdown on figures for Zero Waste Policy
- Suggestion for income source – energy generation for waste
- Suggestion for income generation, such as more effective use of officers' and shared services.
- Support for existing income generators, such as parking, pre-planning applications and building control.

It was **RESOLVED** for officers to take on board comments made by the Panel

51 COMMUNITY SAFETY - CONNECTING FAMILIES UPDATE (30 MINUTES)

The Chairman invited Paula Bromley (Connecting Families Manager) to give a presentation to the Panel.

Paula Bromley highlighted the following points in her presentation:

- Payment by results
- Feedback
- The Expanded Programme/Phase 2 criteria
- Measuring Success: Breath and Depth
- Outcome dashboards (two documents)

Full copies of the presentation and two dashboard papers are available on the Minute Book at Democratic Services.

The Panel welcomed an update from Paula Bromley and congratulated the Connecting Families team on a successful work so far.

Councillor Simmons asked how many families, who had been in the Connecting Families programme, had been moving around from ward to ward.

Paula Bromley responded that the programme had not been monitoring movements of the family from ward to ward.

Paula Bromley added that the Government had been thinking on new ways of rewarding families involved in the programme, like Work Based Payments.

Councillor Beath asked about work with the voluntary sector.

Paula Bromley responded that work with the voluntary sector had been an important part of the programme because some of the families from the programme did not want to speak to employees of the Council.

The Panel asked if the Council has had statutory duty to make families with complex needs join the programme.

Paula Bromley responded the Council had been working with organisations such as Curo, the police and probation service on the project, to make families with complex needs join the programme.

The Chairman thanked Paula Bromley for the presentation. The Chairman commented that for one of the future meetings of this, or similar Panel, Paula Bromley should provide more information around difficult to engage families.

It was **RESOLVED** to note the report and presentation and also to congratulate to the Connecting Families team in good work being undertaken since the start of the programme.

52 PANEL WORKPLAN

It was **RESOLVED** to note the workplan with the following addition:

- Crime and Policing Act update – date to be confirmed

The meeting ended at 3.20 pm

Chair(person)

Date Confirmed and Signed

Prepared by Democratic Services

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Cabinet Member Update - Cllr Ben Stevens

Regeneration

- Enterprise Area Masterplan endorsed by Cabinet 12 November. To be formally launched in the New Year. Forms evidence base for Placemaking Plan Options Document endorsed at the same meeting
- EA delivery is critically linked to and dependent upon success of the “Getting Around Bath” Transport Strategy endorsed by Council on 13 November
- Innovation Quay Business Case 1 submitted to LEP for consideration at LEP Board in December
- Prior Approval planning application submitted to LPA for demolition of Avon Street Car Park, with accompanying press including Bath Chronicle and BBC Radio Bristol
- Bath Riverside has won Best Completed Project Award and Best Housing Award
- Bath Quays Waterside planning application due for determination early in the New Year, construction start anticipated Spring 2015
- SetSquared Innovation Centre now ranked 1st in Europe and 2nd in the world for start-up business incubation and growth
- Discussions ongoing with University re Manvers Street
- Kingsmead House to be developed as hotel, Green Park House redevelopment for student residential ongoing
- Strategic River Group partners (B&NES, Environment Agency and Canal and Rivers Trust) together delivering safety improvements to River Avon
- Local Sustainable Transport Fund approval of £0.5m secured for further riverside improvements

Economy and Culture

- New manager for new Economy and Culture Team, Ben Woods, started work. He joins us from Newham borough in London where he was involved in maximising benefit from the London Olympics.
- Economic Development Strategy Review launched Thursday 6th November to an audience of 70 businesses.
- In the first 12 months of the Council’s latest Business Support contract a total of 132 potential start-up and existing businesses have accessed the advice and support services. 21 new businesses (across a variety of sectors including creative and cultural, food and drink, and professional services) have started trading largely as a result of receiving

business planning and financial advice from the service. Seven businesses have been enabled to access start-up and commercial loans totalling in excess of £80,000

- Delivered 'Making Work Work' event with 52 attendees, including 45 internal managers, learning about the benefits of Apprenticeships, Work Experience, Traineeships and Internships including how these opportunities could specifically help our own Looked After Children and Children Leaving Care. Speakers were Dr Jo Farrar, (Chief Executive); Councillor Paul Crossley, (Leader of the Council); Cllr Ben Stevens; John Wilkinson, Place Director; Ashley Ayre – People & Communities Strategic Director; Derek Quilter, Divisional Director, Project Manager and his apprentice, Jake Williams. (an apprentice himself and following a degree course through the apprenticeship programme). Feedback has been very positive with Customer Service, Revs & Bens, already planning a discussion with HR and Employment & Skills team about taking on a customer service apprentice and a further meeting between Employment & Skills and HR to determine how to take forward recommendations from an earlier review workshop
- To date in 14/15 35 care leavers and out of work benefit claimants have been assisted into paid employment and/or training and there have been 6 new apprenticeship starts in the Council
- Thursday 6th and Friday 7th November we hosted the Taiwanese Ambassador and his trade delegation. Delegation toured a number of engineering firms across the city, attended a Mayoral Civic Reception and met with additional businesses interested in exporting to Bath. Taiwanese ambassador has suggested closer economic and cultural links to between the Bath and Taiwan.
- The first of two large meetings of stakeholders was held on 7th November in the Assembly Rooms to scope out the Creative and Cultural strategy this was very well-attended (around 70 attendees) by a good cross-section of organizations. Steve Fuller presented the City Identity project and Margaret Heffernan talked about the benefits of collaborative working. Greg Ingham has offered Media Clash to design the strategy booklet. A steering group has been established and will hold its first meeting in the next few weeks.
- Under the Connecting Devon & Somerset BDUK broadband partnership, covering Devon, Somerset, North Somerset and B&NES, survey work on existing rural service networks is now underway in B&NES and the roll-out of superfast broadband is expected to start in 2015. The survey work will determine the future programme for service provision and this is therefore subject to change on an ongoing basis. However to assist with information provision the CDS website <http://www.connectingdevonandsomerset.co.uk/> now provides a postcode search facility. By using this facility specific properties can determine whether they are included in the rural broadband roll-out programme and the current schedule for survey work in the area.
- CD&S has also, with support from the Council and other partners, been successful in securing additional government funding for a further investment of £38.3m in extending the coverage of rural broadband to 95% of properties by 2017.

Heritage Services

- UNESCO Deputy Director-General visited Bath on Friday 31 October to recognise the inscription of the Roman curses from the Sacred Spring on the UK Memory of the World register;
- Delegation from the Department of Antiquities in Jordan (which manages ancient sites like Jerash and Petra) to look at Heritage Services' business planning principles;
- Stephen Bird, Head of Heritage Services, awarded 'The Boomerang' by the Britain-Australia Society for 2014/15, for services to Anglo-Oz relations;
- The large Roman mosaic from the Durley Hill villa at Keynsham is now on display in the new Civic Centre building in Keynsham;
- Victoria Art Gallery is piloting a new teaching workshop session called Plasticine People, based on William Harbutt's invention of plasticine in Bath in the 1880s. This links to the new national curriculum for Key Stage 1
- Heritage Services has been awarded a Round 1 HLF grant of £168k to develop its plans for a Roman Baths Learning Centre and World Heritage Interpretation Centre.

World Heritage Management:

- 'Great Spas of Europe' project application form to UNESCO has been submitted. Under the operational guidelines for World Heritage Sites, each 'state party' is required to hold a Tentative List, which is an inventory of properties which that government intends to consider for nomination. The Great Spas project now appears on the UNESCO web site as being officially included on the UK Tentative List. <http://whc.unesco.org/en/tentativelists/state=gb>
- The UNESCO information dossier (referred to in your September briefing) has also been submitted to the Dept. Culture, Media & Sport with a request to forward it to UNESCO in Paris. This document was recently used to brief UNESCO Deputy Director Mr Getachew during his visit to Bath as guest of honour for the Memory of the World event and therefore presented an opportunity for a consistent positive message to be relayed.

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Report of visit by UKTI trade mission to Pearl River Delta

Friday 19th – Sunday 28th October 2014

I'm aware that the panel asked for a cost benefit analysis of the China trip, but I don't feel that would be terribly useful at this stage. As always with these programmes of developing economic relationships, the costs are upfront and the benefits are 'predicted'. I trust the report below will be more illuminating.

Aims and objectives of trip

- To visit the Pearl River Delta Special Economic Zone and understand how the Free Trade Zone works
- To meet with key economic and government organisations in the Pearl River Delta
- To explore opportunities for business and education links between Bath and North East Somerset and Zhuhai
- To understand the economic context of China's growth, the opportunities and threats

Costs

- Flights and accommodation
- OMIS report and meetings
- Translator and materials translation

Outline of activities

Shenzhen (Monday 22nd September)

Shenzhen has seen its population rise from 30,000 in 1979 to an estimated 15 million today. In 1980 it was designated as China's first Special Economic Zone, mainly due to its proximity to Hong Kong. It has the fourth densest population in the world and its economy is growing at about 9% per year.

Shenzhen is rapidly becoming a centre for R&D, software design and financial services. It's believed that about 20% of mainland Chinese with PhDs are living in Shenzhen.

A number of dedicated areas have been designated as special zones for key industries. These provide tax breaks for particular businesses locating there.

Meetings

1. University of Shenzhen

- Keen on internationalisation
- Established cooperation agreement with University of Glasgow
- Offers economics, law, engineering, medicine
- 34,000 students
- *Meeting outcomes*
 - o *Keen to cooperate with UoB*
 - o *Would like exchange opportunities. Keen to sign a MoU*
 - o *Looking for 2 years in Bath and 2 years in Shenzhen*
 - o *School of management looking to expand offer*
 - o *Economics, software development, engineering*

2. Shenzhen wisdom city construction investment

- *Meeting outcomes*
 - o *Established 2013. Hi tech business park facility*
 - o *20 or so companies in the facility, but 300 members overall.*
 - o *Mainly medium sized*
 - o *Very interested in Smart City technology and knowledge exchange*
 - o *Invite to attend mid November hi tech fair in Shenzhen*
 - o *Part of international low carbon cities project*
 - o *Academic exchange potential*
 - o *Potential interest in Green capital*
 - o *Keen to keep in touch and collaborate on knowledge exchange*

3. Shenzhen Chamber of Commerce

- *Meeting outcomes*
 - o *Investment company. 200bn yuan. Owned by Shenzhen Municipal Government*
 - o *Mainly investment in Macau, China and HK. Not really interested in investment internationally*

- o *Also business support, venture capital esp hi tech*
- o *Established in 2005. Over 1000 members*
- o *Some interest in local company FDI into UK, but explained a slow burner. Need more information. Focus would be on R&D*
- o *Existing relationship with Lille in France. Company FDI achieved there*
- o *Difficult for local firms to get visa's to UK. Want B2B links with UK business but prefer them to come to China.*
- o *Sought further meetings in future with more detailed proposition*

Zhuhai (Tuesday 23rd and Wednesday 24th September)

Zhuhai has a population of 1.5 million and has also been designated a Special Economic Zone, mainly due to its proximity to Macau and Hong Kong. A new 37 km bridge will open in 2016 linking Zhuhai with Macau and Hong Kong. The area is expected to see very rapid growth over the coming decade. The Government in China is expecting the area to have a particular focus on information communication, hi-tech manufacturing and low carbon technologies. Zhuhai also has a strong reputation across China for its beauty and quality of life.

Meetings

1. Zhuhai Bureau of Commerce

- Chamber equivalent
- Links to UK chamber and representative in London
- Economic development, investment support and foreign trade
- Promotions for the area
- Significant similarities with Bath and Bristol e.g. focus on ecology, sustainable development, tourism, tech, IT
- Number 1 tourism destination in China
- *Meeting outcomes*
 - o *Very welcoming*
 - o *Keen to promote links, possibly formally*
 - o *Met with deputy mayor and head of tourism and education bureau.*
 - o *Exploring links with Portsmouth but nothing agreed yet*

o Opportunities for links in:

- *Composite Centre - very interested in new technologies and material design*
- *Centre for Power and Energy*
- *Education exchange - keen to learn from UK experience*

2. Zhuhai National Hi Tech Industrial Development Zone

- Huge scale new area in one of 4 Special economic Zones in China
- 6 incubator facilities - software, mobile internet, smart city technology, medical devices, high end manufacturing and creativity and culture
- Linked to 10 local universities with c 130k students. High quality
- Inward investment support, tax breaks and rent subsidy for certain businesses
- US masterplanning team
- Major tech companies locating
- *Meeting outcomes*
 - o Potential links to incubation facilities in WoE*
 - o Investment in Bath incubator?*
 - o Knowledge exchange*
 - o Contracts for planning, architecture, construction, sustainability for Bath companies*

3. Hengqin New Area and Zhuhai Aviation Industrial Park

- Separate development zone alongside Zhuhai
- 100 km sq island. Described as an 'open island'. More freedom even than the general Special Economic Zone
- Linked to expansion of Macau and Hong Kong.
- Special incentives
- Aiming for high environmental standards - aiming for live and work space attractive to international companies
- Focus on business services, financial services, tourism and leisure, culture, traditional Chinese medicine, R&D and hi tech

- Aerospace cluster emerging linked to airport

Guangzhou (Thursday 25th and Friday 26th September)

Guangzhou is the third largest City in China. It has a formal twinning link with Bristol City Council. It has a population of approximately 15 million and has seen rapid growth. 4 special industry development zones have been established, including a new Science City and a Technology Development Zone. 170 global fortune 500 companies have set up operations in Guangzhou.

Meetings

1. Guangdong Chamber of Commerce of Imports and Exports

Sun Yat Sen University

- Business school within University. Separate governance. Linked school in Hong Kong.
- Well funded by Alumni
- MBA endorsed by MIT University
- MBA, Masters and undergraduate courses. Focus on economics courses
- 1000 students a year
- Existing relationship with Aston university, Lancaster university and Warwick university
- Keen on student exchange
- Proposal for new MBA course. 1 year in UK learning Chinese, 2 years in Lingnan and 1 year back in UK. Focus on working in business in China

2. UKTI Guangzhou

- Keep Jiangxi on the back burner. It will develop in due course
- Good time to focus on Zhuhai
- Speak to firms who are already located in the Bristol and Bath area e.g. Huawei
- There are lots of IP cases but the legal framework is strong. Essential to register trademarks and have a strategy for dealing with this. CBBC among others can provide advice.
- Start small and realistic. Keep momentum

- Big drive currently on low carbon and green energy in China
- Make strong case about why Bath and what it has to offer
- Big opportunities in education. Use alumni to provide openings into China
- Make sure we offer direct invitations to people we want to come over to visit. This is essential

3. Guangzhou Sino Singapore Knowledge City

- 123km sq of development in partnership with Singapore Government “Creating a city not just a site”
- Specialising in modern non-pollutant industry
- To get it going they offered huge tax incentives – 2 years tax free followed by 3 years at 50%
- Now Central Government has given Local Authority extra money, with the expectation that they offer it as a ‘rebate’ to the Companies based here
- China offers tax incentives to the companies it wants to settle here. Tech companies who contribute 5m RMB get refunded about 17%
- Smart City technology a target for them
- UKTI are setting up BRIITHUB, wants to be the entry point for International Business setting up in the Chinese markets

4. Association of promotion for Guangdong Economy and Investment

- APGEI Formed in 1994
- Particularly keen on Smart City and Waste processing
- Highlighted a need for us to work out what we want from them. They are willing to help us achieve it.
- Environmental arm (GDEC) formed in 2009
- Association formed of many different types of company including providers of energy saving technology
- Keen to discuss their Energy Saving companies and our Tech companies combining - energy saving apps.
- Need specific propositions.

Conclusions

1. There is a real potential for links to Zhuhai. It is an area that is likely to see significant growth over the next 10 years. Now is a good time to engage and make the most of the opportunities. There are

broad similarities in terms of its environment, focus on hi-tech, tourism potential and culture. They have a link with Portsmouth, but indications are that a link with B&NES as well would not be a problem. This should take the form of a trade and education relationship, rather than a cultural/twinning link.

2. Shenzhen and Guangzhou are too large to realistically have relationship with B&NES although there is still the potential for informal arrangements as they come up. The scale of growth Zhuhai is expecting has already taken place in these two cities, though they continue to develop specialisms in some areas.
3. Start small and realistic and grow the relationship from there.
4. Provide small number of realistic propositions. Key opportunities are:
 - a. **Setsquared to take small space in Zhuhai incubator:** This would build on the Briit Hub model which UKTI have agreed to develop and fund – essentially a showcase for UK talent in a Chinese incubator. The UK Government is proposing to establish a hub in Guangzhou to showcase talent from UK incubators and provide opportunities to enter the Chinese market. This is about to start and there may be a chance to get in at the start of this initiative. CBBC may take the initiative on and we have made an offer to be part of this at the start
 - b. **Trade missions:** Sheppey's Cider were on the mission alongside a range of other Somerset companies (e.g. Thatcher's Cider and Yeo Valley) and from one visit have signed one of their largest contracts to export cider. There are many opportunities for Bath and North East Somerset based food and drink companies as well as other products to export into the area.
 - c. **Link private schools in Bath to Hengqin new area:** There was a particular desire expressed to see UK based private schools open Chinese arms of their schools.
 - d. **Develop detailed market offer for hi tech Zhuhai companies to open UK offices in the Bath City Riverside Enterprise Area:** Chinese companies have started to locate into European cities (e.g. Huawei in Bristol). We need to make the Enterprise Area an attractive proposition for companies seeking to locate here.
 - e. **Provide links for Bath companies to advise on the development of the new areas, especially:**
 - i. Smart City technology
 - ii. Low carbon design and construction
 - iii. Energy
 - iv. Architecture

f. **Link to 2015 Green Capital proposals:** At many of the meetings local companies were very keen to share knowledge and expertise. There will be opportunities to invite organisations from China to take part in events linked to the Green Capital year.

5. Prepare proposal for Zhuhai trip to Bath and send a formal invite for a delegation to visit.

Next steps

A meeting has been arranged in November to bring together key people from B&NES who are already working in China to explore what further opportunities there may be. This includes organisations such as:

- City of Bath College: linking engineering students with Rotork's engineering factory in Shanghai
- Buro Happold: Delivering contracts across China
- University of Bath and Bath Spa: attracting 100's of Chinese students to courses locally
- Bath Tourism Plus: Seeking to make Bath the most China friendly City and working with local hotels and guesthouses to develop China friendly products
- Grant Associates: working in East Asia to deliver contracts
- Clarke Wilmott who have a China office