

SHEFFIELD CITY COUNCIL

**Economic and Environmental Wellbeing Scrutiny and Policy Development
Committee**

Meeting held 20 September 2012

PRESENT: Councillors Helen Mirfin-Boukouris (Chair), Ian Auckland (Deputy Chair), Roger Davison, Tony Downing (Substitute Member), Terry Fox, Neale Gibson, Alf Meade, Robert Murphy, Joe Otten, Sioned-Mair Richards, Geoff Smith (Substitute Member) and Steve Wilson

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1. APOLOGIES FOR ABSENCE

1.1 Apologies for absence were received and substitutes attended the meeting as follows:-

<u>Apology</u>	<u>Substitute</u>
Councillor Bob Johnson	Councillor Tony Downing
Councillor Steve Jones	Councillor Geoff Smith

2. EXCLUSION OF PUBLIC AND PRESS

2.1 No items were identified where a resolution may be moved to exclude the public and press.

3. DECLARATIONS OF INTEREST

3.1 Councillors Neale Gibson and Steve Wilson each declared a Disclosable Pecuniary Interest relating to item 9 (Review of Household Waste Recycling Centres) as they were both members of the GMB Trade Union and had each received payments from it in relation to their election expenses. They both withdrew from the meeting during consideration of that item.

4. PUBLIC QUESTIONS AND PETITIONS

4.1 There were no petitions submitted or public questions asked. Any public questions or petitions relating to Household Waste Recycling Centres would be taken at item 7.

5. BUILDING A STRONG AND RESILIENT ECONOMY

5.1 The Committee received a report of the Director of Creative Sheffield

on building a strong, sustainable and resilient Sheffield economy. The report made reference to the refresh of the City's Economic Strategy, Council support for start-ups and Small and Medium Sized Enterprises (SMEs).

5.2 Attending for this item were Edward Highfield, Director of Creative Sheffield, Kevin Bennett and Duncan Scott, Creative Sheffield and David Wilson, Department for Business, Innovation and Skills. Business representatives in attendance were Julie Robinson, Geco Industries; Paul Houghton, Grant Thornton; Tim Pryor, Lloyds Bank; Jillian Thomas, Future Life Wealth Management and Gill White, Andy Hanselman, Consulting.

5.3 The report was supplemented by a presentation given by David Wilson on creating an enterprising society, which focused national policy on enterprise and particularly referred to the contribution of SMEs to the economy, the current landscape, enterprise culture, the need for a stable and supportive environment for business, sources of finance and business improvement.

5.4 Members made various comments and asked a number of questions in relation to the presentation, to which responses were provided as follows:-

- It was important that the public sector set an example by paying invoices on time so as to assist the cash flow problems of small businesses.
- Employment law must provide protection for the vulnerable and a means of dispute resolution.
- Quality education was important so that young people could be presented with a full range of life chances.
- The German model of including bank representation on companies' boards was being studied.
- Most firms setting up were small and there needed to be an emphasis on change at predictable points to assist the business planning process.
- The Government could point SMEs to sources of advice.

5.5 Each of the business representatives then introduced themselves, providing information on their businesses and commenting on problems which they had experienced and how these had been resolved. Following this, Members made various comments and asked a number of questions, to which responses were provided as follows:-

- It was necessary to identify the business Olympians to encourage the media to focus on success.
- People should not get preoccupied with the area's industrial past as there were still lots of engineering/manufacturing firms here. It was more important to support business and entrepreneurship and people would find business opportunities for themselves.
- A strong business service base was required to provide the support which businesses needed.
- There was a need to access infrastructure funding and work was being undertaken on bringing in funding from the City of London to Sheffield.
- More care and support was required for those young people for whom the traditional apprenticeship was not suitable and attempts were being made to involve sympathetic employers/entrepreneurs. There was a need to engage young people and one method of achieving this might be to involve them in part-time employment at an early stage.
- It was the job of financial institutions to respond to customer requirements and it was important to ensure that funds which were sent out worldwide came back into the United Kingdom. It should be noted that approximately 24% of SMEs were asking for bank finance and that over 60% of these applications had been approved.
- Apprentice schemes may not be suitable for small firms as it was necessary to have someone with the apprentice at all times. It should be possible though to signpost young people to appropriate apprenticeship schemes.
- One way in which the Council could become more business friendly was to be more visible at business events.
- The invitation for business representatives to attend this meeting was an example of the Council being more business friendly and comments made within the business community suggested that this was the case. However, the Council was only as friendly as the day-to-day dealings with business e.g. in relation to planning.
- Sheffield was viewed very favourably by the City of London, with analysis showing that Sheffield was creating more businesses than anywhere else in the UK and that businesses were more likely to use ancillary local businesses to provide

support services. A Financial Times survey had shown that Sheffield was the 47th best place in the world to do business and this needed to be more widely communicated.

- It should be borne in mind that self employment was not for everyone, as evidenced by the number of sole traders, who had set up just because they could not get a job, and ultimately failed.
- An alternative to Quantative Easing would be to give everyone £2,000 to spend in order to achieve growth.
- The introduction of a Sheffield Pound was an idea worthy of consideration to encourage spending in the City.
- The importance of providing the right business advice to the right people was emphasised, with some mapping for SMEs being required. In relation to planning, the Council needed to adopt a positive approach and consider the effects on job creation of its decisions.
- It would be helpful if there was just one place where entrepreneurs wishing to set up businesses could go for advice. There was a view that now was the easiest time to start up a business because of the use of the internet. However, it should be borne in mind that there was still much business regulation and that the decade of easy money up to 2008 was now over with businesses starting up having to adapt to this cultural change.
- Economic development was a long hard slog and what was required was a sustained increase in performance year on year. Statistics were useful but health warnings were needed with regard to their use. The challenge now for SMEs was growth and this needed to be made easier. There was much to be gained from listening to the business representatives and these messages would be taken on board. The ultimate aim was to generate lots of start-ups and have existing businesses growing, but it was also important to understand failure rates and work was being undertaken in this regard.

RESOLVED: That the Committee:-

- (a) thanks the business representatives for their contribution to the meeting, David Wilson for his presentation and Edward Highfield for his report; and
- (b) notes the contents of the presentation and report and the comments of the business representatives.

6. MINUTES OF THE PREVIOUS MEETING

- 6.1 The minutes of the meeting of the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee held on 19th July, 2012 were approved as a correct record.

7. PUBLIC QUESTIONS AND PETITIONS ON HOUSEHOLD WASTE RECYCLING CENTRES

- 7.1 No petitions were received on Household Waste Recycling Centres (HWRCs) and responses were provided to public questions regarding these as follows:-

- This was the first opportunity for the Committee to properly discuss this issue as the meeting on 19th July 2012 had a very full agenda.
- No full-time jobs at the HWRCs had been replaced by young people put forward by the A4E organisation.
- The income declared from the HWRCs was £300,000, which had been split equally between the Council and Veolia who operated the sites.
- The Council had made the decision to reduce the opening hours of the HWRCs as part of its budget and it was the Council who ultimately paid the bill for these to be open.

8. REVIEW OF HOUSEHOLD WASTE RECYCLING CENTRES

- 8.1 The Committee received a report of the Director of Business Strategy and Regulation which provided background information to inform discussion on the reduction in opening hours of the City's Household Waste Recycling Centres (HWRCs). The report had been brought before the Committee as a result of petitions being presented to Council by the Socialist Party and the GMB Trade Union opposing the reduction in these opening hours.

- 8.2 In attendance for this item were Mick Crofts, Director of Business Strategy and Regulation and Alastair Black, Waste Strategy Officer.

- 8.3 Members made various comments and asked a number of questions, to which responses were provided as follows:-

- The market in recyclables was very volatile and there was uncertainty as to whether any further income could be generated from this. The GMB had suggested that income could be generated from Waste Electrical and Electronic

Equipment but there was a need to remove any hazardous parts. However, this did remain the most opportune area for income generation. The recommendations made by those working at the HWRCs to generate income had been shown to be ineffective.

- Detailed information on tonnages and prices could be made available but, following negotiations between the Council, Veolia Environmental Services, SOVA Recycling Limited and the GMB, the issue of income was no longer a problem.
- A minor reduction in tonnages had been experienced in the year up to August 2012.
- It was acknowledged that there were queues at the Blackstock Road site but it was difficult to compare tonnages after the opening hours had been reduced for that very reason. It was a fair assumption that daily tonnages had increased.
- A representative of the GMB had been present at the meeting but had chosen not to stay for this item.
- Veolia Environmental Services were audited by the Council on a regular basis to ensure value for money. Veolia also undertook market testing for the disposal of items for the same reason.
- The Council did have the option to bring the operation of the sites back in house, but it would be required to terminate that element of the contract with Veolia Environmental Services. At the moment the Council had no reasonable grounds to do this.
- The decision to reduce the opening hours of the HWRCs was contained in the set of proposals connected with the reduced budget for 2012/13.
- People were already using the sites for the disposal of green waste and it was expected that this would continue. It was considered that those experiencing a withdrawal of the green waste service would use a variety of methods of disposal.
- As part of the tendering process, each of the bidders were scored on employee rights.
- Detailed information on tonnages and prices would be provided in order to highlight any trends.
- SOVA Recycling Limited had proposed to use the Blackstock

Road site for the acceptance of trade waste from Small and Medium Sized Enterprises and, in relation to the traffic issues there, communications were to be issued to hopefully reduce pressure.

- It had been difficult to bed in the new hours because of the industrial dispute and this had also made it difficult to monitor performance, but figures showed that tonnages were reduced at the Blackstock Road site.

RESOLVED: That the Committee:-

- (a) thanks the citizens who signed the petitions and voiced their opinion;
- (b) notes the report of the Council officers and the statement from the GMB Trade Union and thanks them for their contributions to this Scrutiny exercise; and
- (c) regrets the changes to opening hours which are necessary as a result of Government spending cuts.

(NOTE: Having declared a Disclosable Pecuniary Interest, Councillors Neale Gibson and Steve Wilson withdrew from the meeting during consideration of this item and rejoined the meeting for the next item).

9. WORK PROGRAMME AND FORWARD PLAN

- 9.1 The Policy Officer (Scrutiny) submitted the Committee's Work Programme for 2012/13 and the Forward Plan for the period 12th September, 2012 to 12th December 2012 for consideration.

RESOLVED: That

- (a) the contents of the Committee's Work Plan 2012/13 be approved subject to consideration being given to:-
 - (i) the holding of a future Committee meeting with business representatives, at a location outside the Town Hall, such meeting to include items such as apprenticeships, finance, Small and Medium Sized Enterprises and Sole Traders, promoting Sheffield, fostering entrepreneurship, planning, the Sheffield £ and understanding Sheffield business failures;
 - (ii) the holding of a joint meeting with the Children, Young People and Family Support Scrutiny and Policy Development Committee to consider young people's employment issues; and

(iii) the inclusion in the Committee's Work Plan of items regarding (A) the bringing back of the Sheffield Enterprise Centre under Council control; and (B) the Food Plan from a business perspective; and

(b) the Forward Plan for the period 12th September, 2012 to 12th December, 2012 be received and noted.

10. DATE OF NEXT MEETING

10.1 Thursday 15th November 2012 at 2.00 p.m. in the Town Hall.