

Stronger City Economy Scrutiny Panel

Minutes - 9 February 2016

Attendance

Members of the Stronger City Economy Scrutiny Panel

Cllr Harman Banger
Cllr Philip Bateman
Cllr Val Evans
Cllr Welcome Koussoukama
Cllr Paul Singh
Cllr Tersaim Singh
Cllr Jacqueline Sweetman (Chair)
Cllr Martin Waite
Cllr Daniel Warren

Employees

Deborah Breedon	Scrutiny Officer
Jim Cunningham	Head of Service
Tim Johnson	Strategic Director - Place

Part 1 – items open to the press and public

Item No. *Title*

- 1 Apologies**
Apologies for non-attendance were submitted on behalf of Cllrs Payal Bedi, John Rowley, Jonathan Yardley and John Reynolds.
- 2 Declaration of Interest**
There were no declarations of interest.
- 3 Minutes of Previous Meeting**
Resolved:

That the minutes of the previous meeting be approved and signed as a correct record.
- 4 Matters Arising**
There were no matters arising.

5 **Business and Enterprise**

Jim Cunningham, Head of Enterprise and Skills and Tim Johnson, Strategic Director Place provided an update on activities that support business and encourage enterprise in the City of Wolverhampton.

Cllr Daniel Warren referred to the emerging news about the European Union (EU) and asked about the implications for Wolverhampton and how resilient initiatives funded by European funding (EDF) would be if there is a move to leave the EU. The Strategic Director reassured the Panel that there would have to be a transition period and that the changes would not happen immediately. He advised that EU external funding was one part of the way we support business and enterprise initiatives he referred to the enterprise partners such as the Chamber of Commerce and the University and how they are all committed to sustaining the growth hub. He advised that any reduction in funding would not necessarily mean that things stop, it would mean that there is a need to take another look at how we do our business.

The Panel welcomed that the Government department for Business Innovation and Skills (BIS) had identified additional funding for growth hubs in 2016/17 2017/18 in recognition of the importance of growth hub networks for businesses to access support locally. The panel acknowledged that the Government is committed to devolve responsibility through growth hubs of business support from 2017 onwards and to work with the Combined Authority (CA) to design a joint approach to enterprise start up activity. Cllr Martin Waite indicated that it was important to look at how we would be delivering economic information across the CA.

Cllr Martin Waite referred to business and enterprise and how it ties into the skills agenda previously discussed by the panel. He asked how businesses that are experiencing skill shortages are being supported to appoint. The Head of Enterprise and Skills advised that when having dialogue and building a relationship with businesses intelligence is also being gathered about skills needed for the short term and the longer term. He advised that intelligence gathered about skills needs could be used further down the line to work with employability officers for individuals to train in the right skills and be guaranteed an interview. The aim would be for individuals to move from unemployment to employment.

In response to questions about the Council becoming the honest broker to bring relevant bodies together in the City to develop skills, the Strategic Director advised that the Council work closely with business champions and education providers. He advised that as a Governor of the City of Wolverhampton College he can bring something into the discussion to influence some of the skills training back on the curriculum. He advised that the University and the College collaborate to work on the skills needed for the future employment opportunity in the local economy.

He advised that as a City there is an appetite to inform and directly shape the curriculum; there is also an expectation that businesses will do that themselves but that the Black Country is not as far forward as others currently are. Utilising information that comes out of the growth hub will be important to feed into the skills factory as a direct response to demand and this will be shaped by ourselves and based around particular needs in the City. The Head of Service advised that the system and relationships work well.

Marc Fleetham referred to Business Solutions and that for fifteen years or so Business Solution's has been reaching out to a wide range of businesses trying to develop the right skills. He advised that about 5-6% is being reached but that the hard bit is trying to reach out to the other 94-95%.

The Strategic Director advised that there is a varied communication strategy to reach out to business and enterprise and that the use of social media is a powerful tool. He advised that large companies are contacted to utilise their power of influence. The Head of Service advised that the influence is particularly powerful when businesses speak to each other.

Cllr Paul Singh asked for an update report to be presented to the scrutiny panel in six months' time to consider how the numbers of companies engaging can be improved.

Cllr Phil Bates informed the panel that many companies in his ward are working hard to grow and develop their business and skills levels but do not see themselves necessarily on anyone's list to be contacted. Even when information is seen by them it may not register that the information is targeting them. He advised that this is a role for local Councillors and that 60 ward Councillors could add influence, enthuse them that it is their business we are looking for and to encourage local businesses to engage, participate and take up the opportunities available.

Cllr Phil Bateman indicated that the growth hub was thought by smaller businesses to be confusing and over complex and that a single point of entry to access the hub and get what you need would be a much better solution. He recommended that there should be full use of the growth hub and that Councillors should play a role to pointing people to the growth hub.

In response to questions about a business journey through the growth hub the Service Director advised that there would be intensive support through the initial growth and at times through the hub journey. The Strategic Director advised that the business cycle covers several key periods which might include expansion, limited status, export etc. and that there is a need to understand where the tipping point would be and that the business environment can be dynamic.

The Panel was advised that there are six crisis points where additional support may be required and that this is a normal cycle. Good relationship management and good advice builds on good aftercare and increases traction. Companies will come back or stay where they are looked after.

Resolved

1. That the Panel endorse the approach to supporting businesses and encouraging enterprise in Wolverhampton.
2. That an update report be presented to the scrutiny panel in six months' time to consider how the numbers of companies engaging can be improved.
3. That a role for 60 ward Councillors be considered to add influence, to enthuse and to encourage local businesses to engage, participate and take up the training and skills opportunities available.

6 **The University of Wolverhampton case study**

Marc Fleetham, Director, Business Solutions (BS), University of Wolverhampton provided a report relating to the University of Wolverhampton Business Solutions Centres.

The Director of BS informed the panel that the University had secured in excess of £50 million in funding to support the business community, with funding bids for £7-8 million expected to be determined in the next few weeks. He advised that the University develops skills, acts as a knowledge transfer point, creates graduate jobs and is trying to create an incubator of young business in the City.

He explained that the University of Wolverhampton has business and economic growth as one of its core strategic objectives and that to support the objectives a network of business hubs known as Business Solutions Centres had been developed. He advised that there are three centres with a fourth due on stream late in 2016 and that as a result of the activities, there are now over 3300 client details on the Customer Relations Management (CRM) system creating over 2100 client engagements. The objective of the centres is to become the focal point for businesses to gain information and knowledge to support growth plans and create an open access business centre for all levels of business. The centres are aligned to the Government Growth Hub Programme.

The Director of BS advised that that number of business start-ups in Wolverhampton was rocketing and the trend was set to continue in 2016, he outlined the Business Solutions Centre offer to support those embarking on new ventures. In response to questions he advised that there are a range of programmes in development with varying durations to suit the individual and the range of businesses including monthly start-up seminars and quarterly mentoring programmes. He advised that 600,000 people are supported and that many of the local business support tend to be lifestyle businesses.

The Director informed the panel of Regional Growth Fund (RGF) Green shoot programmes which are projects that support Black Country (BC) business in order to create jobs and encourage real economic growth. Green shoot plus (GSP) projects started in June 2015 and will run for two years to support the BC alongside Hereford, South Staffordshire, Stafford, Telford and Shropshire. He advised that there has been a good interest shown in the programmes with a total of £3 million of grant assistance awarded across the two programmes to date and 241 new jobs with businesses as conditional outcomes of awarding the grants. In response to questions he advised that many engineering businesses require equipment or larger premises to grow. He confirmed that the Express and Star newspaper is working in partnership to promote the programme.

The Director outlined the Knowledge Transfer Partnerships (KTP), he advised that over the last ten years the University has been in the top ten performers collaborating with over 30 companies within Wolverhampton and the Black Country region on KTP programmes. The programmes have varied between 18 months and three years and gave businesses a platform to grow and create new jobs.

The Director advised that the University was working with the local police, LEP members and Council to promote and deliver training in relation to the cyber security agenda to up to 200 companies in the first year. He advised that drone training and inductions are also planned as part of a drive to help underpin legislation and policy development to promote best use. It is aimed to train 50 companies in the first year and provide introductory workshops for 100 companies. He advised that the University was also actively partnered with the Council, University academics and Local schools to create a programme of projects to actively support the Smart City agenda. In response to comments the Director advised that Smart schemes in Barcelona and Birmingham are being looked at in relation to Centro and traffic management. The Strategic Director advised that Sprint initiatives are being looked at to consider feasibility and how to develop schemes. The panel asked for more detailed information about the Sprint technology and the Smart City agenda to a future meeting.

Cllr Phil Bateman welcomed some successes in the City including turning the Polytechnic into a successful University which was turning out local talent and skilled workforce at a fast pace and whilst reacting to business and economic demands. He requested a paper to celebrate the successes in the City. Cllr Jacqueline Sweetman also welcomed the success of University programmes and involving local businesses. She asked how the effectiveness of the programmes is being monitored and suggested a report could be prepared to a future meeting.

Cllr Harman Banger referred to the need to keep talent in the City and how small changes will make the offer better. He felt it important to pursue bridging the gap between growing local talent and local businesses. He agreed with the need for local Councillors to get involved and to play a more active role with businesses that may not know that talent can be sourced locally.

The Director of BS acknowledged the complements on successes and advised that the reputation of Wolverhampton is improving. He advised that part of the support needed for business is inward and outward investment in staff, to help employees improve. He referred to business students from the Far East taking part in short programmes, staying in the City for a month spending in the City and returning home to set up a business.

The Panel were advised that the University and the City of Wolverhampton Council work closely and do a lot of reciprocal work to promote the City internationally. In response to questions the Panel was advised that the University is represented on the Economic Growth Board and that the Mayor of the City plays a large part in promoting economic and business growth.

Resolved:

1. That the report and verbal presentation is noted.
2. That the Scrutiny Panel thank the University for the work that it is doing to raise European funds and for the success of University programmes and involving local businesses.
3. That more detailed information about the Sprint technology and the Smart City agenda is reported to a future meeting.
4. That information relating to how the effectiveness of the University programmes is being monitored is reported to a future meeting.