

# Stronger City Economy Scrutiny Panel

## Minutes - 5 July 2016

### Attendance

#### Members of the Stronger City Economy Scrutiny Panel

Cllr Philip Bateman  
Cllr Payal Bedi-Chadha  
Cllr Val Evans  
Cllr Hazel Malcolm  
Cllr Mak Singh  
Cllr Tersaim Singh  
Cllr Udey Singh  
Cllr Jacqueline Sweetman (Chair)  
Cllr Martin Waite  
Cllr Jonathan Yardley (Vice-Chair)

#### Employees

Deborah Breedon	Scrutiny Officer
Heather Clark (Economics)	Manager Strategic Projects/Funding
Keren Jones	Service Director - City Economy
Paul Lakin	Head of City Development

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## Part 1 – items open to the press and public

*Item No.*     *Title*

1     **Apologies**  
Apologies were submitted on behalf of Cllrs Welcome Koussoukama, John Rowley and Daniel Warren. Cllr Tersaim Singh submitted apologies due to attending other Council business.

2     **Declarations of interest**  
There were no declarations of interest.

#### Chairs Introduction

Cllr Jacqueline Sweetman, Chair welcomed councillors to the first meeting of the municipal year and highlighted some issues that she wanted the Panel to consider during the 2016-17 schedule of meetings, as follows:

- Update relating to the impact of Britain's exit from the European Union (EU).
- Focus at each meeting on the skills and employability agenda and how it impacts on other areas of the work programme.

3     **Minutes of previous meeting**

Resolved

That the minutes of the meeting 16 March 2016 be approved as a correct record.

4 **Matters arising**

In relation to minute 5 and footfall in the City; The Panel was advised that a survey has been commissioned with other cities and that it was recognised that the focus of the panel was on the whole city economy, but not at the exclusion of other parts of the City.

5 **Attracting investment**

Richard Nicklin, City Investment Manager and Keren Jones, Service Director City Economy provided a report to update on investment activities that have taken place or are planned for the next 18 months. He highlighted key points from the report including the marketing strategy and collateral being developed with local businesses through the City Economic Growth Board; including the Welcome to Wolverhampton infographic video, the city marketing strategy, the 360 degree tour of the city and the UKTI Midlands Engine Investment Opportunities Pitchbook (launched during Cannes (March 2016).

In response to questions from councillors the Service Director advised that the focus of the Marketing Strategy and collateral was on the City Centre, not outer lying areas. She advised that further information about the number of leads originating from the MIPIM Cannes could be presented to another meeting.

Panel were advised that Wolverhampton was a key investment location and captures £3.7 billion of investment that is either on site or in the pipeline. The investment manager gave several examples of collateral that the Council had commissioned to promote the city and generate inward and indigenous investment.

The Panel discussed an investor's event at the House of Commons on 12 July 2016 and another opportunity for the Black Country to showcase its wares at an open door event in the Houses of Parliament on the same day. They considered that the two events needed to sigway and dovetail into each other, and that a mechanism for measuring the investments attracted be developed.

Officers gave assurance that preparation for the event had been designed to give the right messages to encourage investors to Wolverhampton and to reduce the impact of recent bad publicity from the Grant Thornton that highlights Wolverhampton as the least prosperous City in the Midlands. The City Investment Manager advised that his role was to develop the flip side and to encourage best development start up business. The Service Director advised that the inward investment was important but was part of the bigger team, each working together to look at the end users and using the same strategies, including the lifestyle offer for the City. The ~Service Director advised that Wolverhampton currently has the top ten places for music venues offer. She clarified that this would be counteracted with other surveys and that some work for us some against.

Paul Lakin, Head of City Development advised that from a developer perspective, rankings can contribute to putting people off. He added that Wolverhampton has one of the biggest railway systems and town centres in the area, in close proximity to motorways and Birmingham. He advised that this is the sort of thing to get investors interested. The right offer gets, the City offer helps to get the message out that Wolverhampton is a can do Council.

The Panel was advised that I10 development had completely outperformed Derby and neighbouring developments to attract inward investment and was in a good position to offer a central location and large labour markets.

In response to questions about investment, our key competitors, advertising target market and best practice the Service Director advised that the first figures from Business week are measured using MIPIN and form a baseline, she advised that the system is being constantly improved. She advised that research is carried out in advance when designing something to explore best practice.

Competition is complex and a whole host of factors needs to be taken into account in order to re-position Wolverhampton with West Midlands Combined Authority (WMCA) but also to maintain your own reach in National and world markets. She added that some competitors are also people we are collaborating with.

Paul Lakin, Head of City Development highlighted some points about the position for Wolverhampton as follows:

- Wolverhampton cost lower than neighbouring authorities
- Proximity to the railway station and interchange
- Advantage to be in the centre of the motorway networks
- Lacks the area for large sites too compact
- Underutilised by quality sites
- Need to capture the right businesses in the shopping centre
- An events programme is really important
- Vibrant cultural offer is key to bringing people in

The Service Director outlined some of the barriers as follows:

- Skills are a mixed picture
- Viability gap in terms of assembling land
- Can draw down funding for the growth fund
- The housing offer

She advised that there were ways to address the barriers.

The Head of City Development highlighted the importance of the inward investment team and development teams to understand their investor and the teams support each other. The Service Director advised that work done with recent large investors such as Wiggle was not based on marketing, they had done their homework and it was very much about the relationship.

The panel considered the recent success of I10 and suggested that Wolverhampton could pick up more of the Birmingham market by building another similar facility.

The Panel was advised that a funding workshop with developers was planned at the end of July 2016 to consider the next project.

Resolved

1. That the panel endorse the approach to attracting inward investment and support indigenous investment to Wolverhampton.

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### **External Funding Update**

Heather Clark, Service Development Manager provided an update relating to attracting external funding to Wolverhampton and the wider Black Country. She informed the Panel that the Council has a small external funding team that had been very proactive in bidding for externally funded projects focusing on EU funded projects. She identified the funding source and status of the bid for the following:

- Black Country Growth Hub
- Black Country Advice Investment and Markets (AIM)
- Black Country Transformational Growth Opportunities Local Delivery (BCT GOLD)
- Black Country Digital Passport • Black Country Blue Network
- Bilston Urban Village Strategic Environmental Infrastructure
- Impact in the Black Country
- Gen Y City

The Service Development Manager detailed future bidding opportunities and the preparation work underway to be ready to bid when the call for outline applications is published.

In response to questions about the decision to exit the European Union, Keren Jones Service Director advised that where the Council has entered into a funding agreement the project can move forward. The Panel were advised that there is a risk to funding where the funding agreement has not been signed.

In response to a question about Impact Project, targeting young people who are not in employment education and training, Cllr Hazel Malcolm asked how the impact of the scheme would be measured and how it would be distributed equally amongst different age profiles.

The Service Development Manager advised that a CRM had been made ready and could be shared with the Panel. She informed the Panel that the project had challenging targets and due to delays only two years of a potential four year project was remaining. She informed the Panel that key workers had been identified and partners and frontline workers were targeting young people in the most deprived areas. She advised that further European Social Funded projects was currently out for tender and would be match-funded with the Big Lottery. She acknowledged that the project could be monitored through the combined authority.

The Service Director acknowledged that the point made was important and that projects should be seen as a part of a much bigger approach to transform the system. She indicated that the CRM would actually enable people to be tracked through the system and changes can be made to the processes as a result of this. She confirmed that best practice in other places is also being considered and that this was a big opportunity for Wolverhampton.

Officers responded to further questioning about EU funding in relation to the decision to exit the European Union. The Service Director confirmed that signed contracts would be honoured and where there have been calls for bids the Communities for Local Government (CLG) had advised that these should continue. She clarified that

the position for new bids was unknown at this time but that discussions were on-going.

Cllr Martin Waite voiced concern that there had been no intimation from Government if it would step in and fund schemes; he indicated that the Local Growth Fund (LGF) only has a finite amount of money. The Service Director advised that the schemes the Council develops will continue to look to the LGF. Cllr Phil Bateman referred to the Erasmus projects in education and other different forms of funding.

The Service Development Manager informed the meeting that information was currently being collated for the Combined Authority (CA) relating to amount of EU funding in projects in the area.

Resolved

1. That the progress report is received.
2. That a briefing paper be circulated to summarise the amount of EU funding in projects in the area.