

# Stronger City Economy Scrutiny Panel

Minutes - 12 November 2020

## Attendance

### Members of the Stronger City Economy Scrutiny Panel

Cllr Philip Bateman MBE  
Cllr Payal Bedi-Chadha  
Cllr Dr Paul John Birch J.P.  
Cllr Craig Collingswood  
Cllr Claire Darke  
Cllr Val Evans  
Cllr Christopher Haynes (Vice-Chair)  
Cllr Rupinderjit Kaur (Chair)  
Cllr Barbara McGarrity QN  
Cllr Susan Roberts MBE  
Cllr Jonathan Yardley

### In Attendance

Cllr Dr Michael Hardacre (Cabinet Member for Education and Skills)

### Employees

Martin Stevens (Scrutiny Officer) (Minutes)  
Richard Lawrence (Director of Regeneration)  
Isobel Woods (Head of Enterprise)  
Liam Davies (Head of City Development)  
Sue Lindup (Skills and Employability Manager)  
Julia Cleary (Scrutiny and Systems Manager)  
Marie Smith (Project Manager)  
Earl Piggott-Smith (Scrutiny Officer)

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

*Item No.*     *Title*

1            **Apologies**

An apology for absence was received from Cllr Asha Mattu.

The Cabinet Member for City Economy, Cllr Stephen Simkins, had submitted his apologies.

**2 Declarations of interest**

Cllr Phil Bateman MBE declared a non-pecuniary interest as a Member of the Canal and River Trust Advisory Board.

**3 Minutes of previous meeting**

The minutes of the Stronger City Economy Scrutiny Panel meeting held on 10 September 2020 were confirmed as a correct record.

**4 Matters arising**

A Member of the Panel asked if there had been an update on the award of funding from the Future High Street Fund. The Director of Regeneration responded that they were still awaiting to hear back from Central Government on whether the City would be allocated monies from the Future High Street Fund. They had been asked by Central Government to ensure all their approvals were in place for match funding, if Future High Street Funds became available. The match funding proposals had been received by the Council's Cabinet earlier in the week, meaning all the approvals were in place. There had however been no confirmation from Central Government to the outcome of the Council's bid or when there would be an announcement on allocation of funding.

A Member of the Panel asked if there had been an update on the Town's Fund bid which had been submitted in July to transform the City Centre, Bilston and Wednesfield. At the previous meeting it had been hoped there would be an announcement from Government by the end of October. The Director for Regeneration responded that the Council had not received a response. He had in fact raised the issue with the local MPs that very day. It was looking unlikely that the Council would hear anything from Government in the short term. There had recently been a press announcement when the first seven Town's Fund areas received funding. He was however still positive that Wolverhampton would receive favourable news in due course and hopefully within the next few weeks.

**5 Draft Budget and Medium Term Financial Strategy**

The Finance Business Partner introduced the report on the draft Budget and Medium Term Financial Strategy 2021-2022 to 2023-2024. The Panel were being asked to provide feedback on the budget relevant to the Panel and how it was aligned to the priorities of the Council. They were also being asked to provide feedback on the draft Budget and Medium Term Financial Strategy report that was appended to the main report. There was a recommendation that the Panel's comments be forwarded to the Scrutiny Board for consideration.

The Finance Business Partner summarised the main points of the report. The draft Budget and Medium Term Financial Strategy was different to previous years because it covered the Council's response to the Covid-19 pandemic. The report detailed the cost of Covid-19 for the year and the projected financial implications for the medium term. It listed the one off grants the Council had received to compensate for some of the impacts of Covid-19. The report detailed the next steps the Council would be taking to address the financial pressures faced by the Council over the medium term.

The Finance Business Partner commented that the report set out the "Relighting Our City" agenda, explaining the transition from the response to the recovery phase of

the pandemic. The Council was assuming that the Government would provide a sufficient grant to cover the cost of Covid-19. If this was the case the forecast deficit, without the impact of Covid-19 for 2021-2022, was estimated to be £4.5 million, rising to £19.6 million over the medium term. Savings were being considered by directorates at the present time to meet the budget gap. If funding was not awarded from Government to meet the continued financial pressures arising from Covid-19, the impact on the Council would be significant. A fundamental review of all services would need to take place to enable them to set a balanced budget. If the Council did not receive the Covid-19 grants from Government, the deficit for 2021-2022 could rise to a minimum of £23.2 million and increasing to £40 million over the medium term.

The Director for Regeneration commented on the service budget detailed within the report. The report listed the key capital and revenue projects the service was working on in section 5.

A Member of the Panel asked for clarity as to budget for health. The Chief Accountant responded that the pie chart in the report referred to Public Health. The Pie Chart represented millions of pounds. Public Health was funded via the Public Health grant.

**Resolved:** The panel agreed the recommendations set out in the report.

## 6 **Generate More Jobs and Learning Opportunities**

The Cabinet Member for Education and Skills stated that the future of Wolverhampton would depend on the ability of the City to reskill people across the age groups into jobs which would be available in the future. The world had dramatically changed due to the impact of Covid-19. The Regeneration Directorate was cross cutting against many work streams including important partnerships such as the Black Country LEP, Central Government, WMCA, Adult Education and the Colleges. This vital work was important to the reskilling agenda. He commended the work which had taken place to date by the Directorate.

The Director for Regeneration introduced the presentation on generating more jobs and learning opportunities priority. The presentation aimed to cover the key emerging work and the deliverables. The "Relighting our City" plan had five key areas, one of these was generating more jobs and learning opportunities.

The Head of Enterprise commented that unemployment levels were increasing in the City. There had been changes in the economy, such as some sectors shrinking with others having unprecedented growth. The younger people in the City had been disproportionately affected. It was also clear that people in their over 50s in long term employment were being affected by redundancy. They were still grappling with the issue that a high number of people in Wolverhampton were classed as having a high number of low or no skills. The digital divide in the City had been exemplified due to Covid-19.

The Head of Enterprise stated that the combined total of NEET (Not in Education, Employment or Training) and Not Known 16-18-year olds in the City was 589. 33% of these (197) were currently being supported. They did however wish to engage

with the remaining number. 55% of Care Leavers aged 19-21 were in in EET (in Education, Employment or Training) this was a higher proportion than the Council's neighbours where the average was 47%.

The Head of Enterprise commented that 433 young people aged 18-25 in Wolverhampton had an ECHP (Education, Health Care Plan). These plans were important because people aged 18-25 were a key group who were likely to be at risk of being long term unemployed. In Year 12, there had been 71 people who had dropped out in the academic year of 2019-2020.

The Head of Enterprise on the subject of digital, commented that prior to Covid-19 an estimated 35,000 residents had not been online in the last three months and 59,000 lacked all digital skills. The presentation slide referred to 60% of Wolves at Work clients and 25% of Impact clients unable to access support online. Three strategic businesses in the City had submitted a HR1 Redundancy notice. She presented a slide on the unemployment claimant rate for 16-64 year olds. The number of unemployed claimants in the City aged 16-64 was 17,280 which was 10.6%. The national average in England was 6.6%. The top three wards in Wolverhampton that had the highest number of claimants as a percentage of residents aged 16-64 years old were :-

St. Peter's – 14.3%

East Park – 13.9%

Bushbury South and Low Hill – 13.2%

The number of unemployed claimants in the City aged 18-24 was 3,380 which was 15.9%, whereas the national average in England was 9.4%.

The Head of Enterprise stated that generating more jobs and learning opportunities was a key driver to supporting the City's recovery post Covid-19. This priority had refocused efforts to address the increased barriers emerging from the pandemic that many local people were now facing to get into or sustain employment and to access skills. Working alongside the other packages already established, they had identified three key strands. The Wolves Youth Offer which supported all young people in the City into employment, through training and improving their skills. Digital Connectivity was vitally important to helping enable learning and employment opportunities. The final strand identified was the City's response to those affected by or at risk of redundancy.

The Skills and Employability Manager commented that the Wolves Youth Offer focused on the 16-24 years old age group. They were working on developing a Skills Health Check through Youth Hubs. The Skills Health Check would link with: -

- Kickstart (paid placement)
- Impact (bespoke support)
- Wolves at work, work coach (guide, advise, mentor)
- Apprenticeships
- Skills and Learning programmes

The Strategic Projects and Funding Manager presented some slides on digital connectivity. The issue of the digital divide had been further highlighted as a result of

Covid-19, this included both access and skills. They had discovered that the digital divide was affecting all age groups in the City. It was impacting on people's ability to access online learning and employment support. It wasn't just a digital skills issue it was also about access to devices and connectivity. They had therefore been looking at a number of digital initiatives as part of a wider digital inclusion approach.

The Strategic Projects and Funding Manager commented that they were developing a digital inclusion action plan which was looking at innovative approaches to enabling people to get online. They had also developed a Wolves Online device and connectivity lending scheme, where there was an initial pilot for the lending of 50 devices, which they were hoping to increase the scale of in the future. Digital skills were going to become increasingly important into the future, there was therefore a focus on seeing what the City could do to enhance people's digital skills. They were developing a #digitalwolves gateway for online and local digital skills provision. The Strategic Projects and Funding Manager spoke on the matter of pathways to digital jobs. It was important to ensure that the City's workforce had the right digital skills to be able to access new digital jobs in the future.

The Head of Enterprise spoke on the Council's, Response 2 Redundancy model. The Council through earlier engagement with businesses in the City was providing a preventative response for those who were at risk or affected by redundancy. Working with national partners DWP and Serco, the Response 2 Redundancy model responded to the local impact on businesses who were affected. The offer was summarised as follows :-

- Provided a wrap around service of early interventions i.e skills, retraining, redeployment
- Ensured residents had access to a Wolves at Work, work coach
- Able to track and monitor individuals progress and outcomes

There were significant vacancies starting to arise for digital jobs and so it was most important to prepare the workforce. If a business was considering making 20 or more redundancies they had to alert the Department for Work and Pensions and issue a HN1. Some people that had been in work for several decades could be facing redundancy for the first time, so it was important to ensure they were supported with that process. They had also exhibited good partnership working in other Black Country areas, as some Wolverhampton residents travelled to other areas for employment and could face redundancy.

The Director for Regeneration presented a slide with some questions which they asked the Scrutiny Panel to consider, these were as follows:-

- As part of the Wolves Youth Offer how do we ensure a collaborative approach across the Council and partners to raise awareness, understanding and seek their support?
- How we can ensure the Wolves Youth Offer is inclusive and we engage fully with all Young People in the city?
- How are we going to sustain the successful Wolves at Work model?
- How can we help to close the digital divide in the City?

- How do we as a City manage and support the effects of redundancy in a way that can be scaled up?

A Panel Member stated that when considering the schemes from an employer's point of view, he considered them to be too thin. The Kick Start scheme gave support to employers on Zero NI and contributions towards 28 hours work for the first six months. Employers he suspected would rather have support for a much longer period. There were the added pressures of Brexit and the longer lasting effects of the impact of Covid-19 on the economy. From a personal perspective he didn't want to employ people for only six months or even twelve months, he wanted to employ people who he could offer a permanent position.

A Panel Member commented that the Wolves Online pilot loan scheme of 50 devices seemed a small number, she asked if this number would be increased and how the devices would be distributed. The Strategic Projects and Funding Manager confirmed that it was a pilot which they were planning on rolling out. They were looking at other sources of funding, they had secured some European Social Funding to obtain devices. The plan was therefore to increase the scale of the pilot and look at a place based approach, for instance encouraging community organisations to set themselves up as online centres. A range of mechanisms would be utilised to help reduce the digital divide across the City.

The Cabinet Member for Education and Skills commented that the Education Department had already distributed over 800 laptops to young people either on an educational and health plan or who were known to social workers. 200 had been distributed to schools and 200 routers had been given to young people who required them.

A Member of the Panel highlighted the important role of schools and the need to communicate with people who did not normally engage with Council services. Working with community groups was an important part.

A Member of the Panel asked how the success of the Wolves at Work model was measured, monitored and recorded. The Director for Regeneration responded that they were engaging with a variety of different user groups. They therefore had a good understanding of the need. They were engaging with businesses, so they could understand their requirements. Wolves at Work provided a support mechanism for businesses and individuals. The Head of Enterprise gave an assurance that they had a tight monitoring system for the Wolves at Work model, which tracked every individual entering the system. At the end of October 2020 they had supported 5,777 people into work. The Skills and Employability Manager commented that they had managed to sustain over 3000 people into work, which was one of the best performance employability projects that they had seen. It was therefore a project which was noted at a regional and national level. A recent evaluation of the Wolves at Work Project had found that it had added £146 million to the economy in the City.

A Panel Member commented that he saw the unemployment situation in Wolverhampton as depressing. It was therefore important to do as much as they could to help the situation. He was concerned about the damage Covid-19 had done to the employment rate in the future, particularly in arts, entertainment and retail. He

was also mindful about the potential impact of Brexit with the transition phase coming to an end at the end of the year. Embracing new sectors to encourage employment in the City was critically important.

The Director for Regeneration referred to the Education, Skills and Employment Board which had been setup. This brought together a number of the formal entities, such as Adult Education, the College and University but in addition the voluntary sector groups and other training providers. The Board was able to provide a good oversight of the situation. It was a challenging time for the City. They were working with the Black Country Consortium on data relating to employment, so they could respond appropriately to support businesses and individuals. He was happy to share this with the Panel in the future if requested. The Chair confirmed they would like to receive the data in the future and to see some of the work that the Education, Skills and Employment Board had completed.

The Chair praised the team for the work they had completed on generating jobs and learning opportunities in the City and thanked the Officers for an excellent presentation.

## 7 **Update from Director of Regeneration on Regeneration Projects**

A short video was displayed showing some of the Council's regeneration projects within the City.

The Head of City Development presented slides on some of the Council's key regeneration projects in the City. The Lower Horseley Fields would provide 370 residential units incorporating the historic Union Mill buildings. The planning application had been submitted on 6 November 2020. A CGI video was shown on how the project would look. Construction was expected to start in 2021.

The Head of City Development spoke on the Interchange project. This was a partnership delivery between the Council, Network Rail and Transport for West Midlands. It was a fully integrated multi-modal transport hub. Phase 1 of the new station facility had now been completed and was open to the public. Phase 2 was well underway and was scheduled for completion in Spring 2021. The Metro line extension, which would terminate outside the train station, was due for completion in the latter part of 2021. The Interchange project had been shortlisted for the RTP1 Award for Planning Excellence and also for three Insider West Midlands Property Awards.

The Head of City Development talked about the i9 Project. This was a 50,000 square foot office floorspace. It was an award winning Glenn Howells designed building. It had had been designed to achieve BREEAM 'Excellent' rating and WiredScore 'Gold' Standard. Construction was well underway and the contractor Grahams were currently on programme to complete the building in the Summer of 2021.

The Head of City Development referred to the Civic Halls Project. This was a £38 million investment into future proofing the largest entertainment, events and leisure venue in the Black Country. The structural steel was being delivered to the site, with installation work having started. Works to the main roof had commenced with a construction completion projected in late 2021. A bid to the Future High Streets

Fund had been submitted with an aim to secure funding to support the delivery of the public realm works outside the Civic Halls. The Civic Halls project it was hoped would help reinvigorate the City's night time economy.

The Head of City Development presented a slide on i54, which was a continuing success. The i54 Western Extension (South) was a joint venture between City of Wolverhampton Council and Staffordshire County Council. The scheme would provide up to 100,000 m<sup>2</sup> of B1 and B2 end uses and generate up to 1,700 new jobs. The Southern 60-acre site was under development and was controlled by City of Wolverhampton Council. The project was currently scheduled to deliver on time and very much on budget.

Panel Members praised the positivity of the presentation. A Panel Member praised the interchange project and commented that he hoped to see the metro line further extended in the future to other parts in Wolverhampton. The Director for Regeneration responded that discussions with the WMCA were taking place around the metro line extending through the City and linking in i54 and the hospital site. They were strategic conversations at the present time, but it was an aspiration to increase the metro line. He was hoping the i54 extension would generate as many jobs as possible. Whilst it would be tempting to rent the site to a logistics company to gain a high amount of business rates, this would not lead to the scale of job creation for which they were aiming.

A Panel Member commented that the West Side Project had not been included in the presentation and asked for an update on the project. The Director for Regeneration responded that that they continued to liaise with the developer Urban and Civic. Odeon were not progressing talks at the current time because of the Covid-19 situation.

A Panel Member asked what interest there had been from businesses looking to lease or rent i9 floor space. The Director for Regeneration responded that it was generating interest because of its ideal location to the train station and significant floor space available in the building. They were talking to a number of potential end users and he was confident that they would secure some pre-lets before it was opened next Summer.

8

### **Work Programme for the Stronger City Economy Scrutiny Panel**

The Scrutiny Officer presented on the latest version of the Stronger City Economy Scrutiny Panel Work Programme. At the next meeting of the Panel in January 2021, the Panel would be considering the "Growing the City's Vital Businesses Theme." The Director of Communications and External Relations was the Strategic Executive Board lead for this particular "Relighting our City Theme." He hoped the visitor economy suggested by Cllr Philip Bateman at the last meeting could also be incorporated into the item. For the March meeting there was the Portfolio Holder Statement and Question Time item, when it was intended for Cllr Simkins as the Cabinet Member for City Economy to present to the Panel. There was some capacity in the work plan and so Members could contact the Scrutiny Team with suggestions. He referred to a number of questions which were important to consider when deciding what to include in the Work Plan. These were as follows: -



1. Is the issue in the public interest?
2. How does it link to the Connected City Theme?
3. How can scrutiny add value by looking at it?
4. Where is the evidence to support looking at this issue?
5. Can we evidence impact?
6. Is there a change to National Policy?
7. Does it affect citizens across the City?
8. Are there performance concerns?
9. Is it a safety issue?

There could be items suggested by Members which could be completed via informal meetings or by email. He stressed the importance of the digital theme which had been given to the Scrutiny Panels and relating this to any items on the work plan.

## 9 **Future Meeting Dates**

The future meeting dates of the Stronger City Economy Scrutiny Panel were confirmed as follows:-

21 January 2021 at 6pm

18 March 2021 at 6pm

The Chair wished anyone who celebrated Diwali a happy celebration. As the Panel would be not meeting again until 2021, she also wished everyone a Happy New Year and Christmas Holiday in advance.

The meeting closed at 7:36pm.