

# Stronger City Economy Scrutiny Panel

Minutes - 21 January 2021

## 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 Barbara McGarrity QN  
Cllr Susan Roberts MBE  
Cllr Jonathan Yardley

### In Attendance

Cllr Stephen Simkins (Cabinet Member for City Economy)

### Employees

Martin Stevens (Scrutiny Officer) (Minutes)  
Richard Lawrence (Director of Regeneration)  
Ian Fegan (Director of Communications and Internal Relations)  
Isobel Woods (Head of Enterprise)  
Maria Smith (Project Manager)  
Julia Cleary (Scrutiny and Systems Manager)  
Earl Piggott-Smith (Scrutiny Officer)

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

*Item No.*    *Title*

1        **Election of Chair for the Meeting**

In the absence of the Chair and Vice-Chair from the meeting, a Chair for the meeting was elected. It was proposed, seconded and

**Resolved:** That Cllr Paul Birch J.P be elected as Chair of the Stronger City Economy Scrutiny Panel for this meeting only.

Following the election of the Chair for the meeting, a one-minute silence was held in recognition and tribute to the work of former Councillor Pat Byrne, who the Cabinet Member announced, had sadly died.

Cllr Roberts and Cllr Simkins both spoke in tribute to Cllr Byrne work for the City and in particular to the East Park Ward.

**2 Apologies**

Apologies for absence were received from Cllr Rupinderjit Kaur (Chair) and Cllr Christopher Haynes (Vice-Chair)

**3 Declarations of interest**

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

**4 Minutes of previous meeting**

The minutes of the previous meeting held on 21 January 2021 were confirmed as a correct record.

**5 Matters Arising**

Councillors asked for an update on the Future High Street Fund and the Town's Fund. The Scrutiny Officer advised that both of these issues would be covered later in the agenda under the Director's Update item.

**6 Grow Our Vital Local Businesses**

The Director of Communications and Internal Relations, and the Head of Enterprise gave a presentation on the theme of "Grow Our Vital Businesses." A copy of the presentation is attached to the signed minutes. The presentation covered five areas:

1. Impact of Covid-19 on businesses
2. Brexit update
3. Current business support offer
4. Developing business support offer
5. Questions

The Director of Communications and Internal Relations commented that there were three key principles relating to the "Grow Our Vital Local Businesses" theme in the Council's Relighting Our City strategy. The three principles were being climate focused, being driven by digital, and fair and inclusive.

The Head of Enterprise remarked that 97% of the City's businesses were small enterprises (employing less than 50 staff). The highest employment sector in the City was health, followed by retail. Employment levels in Wolverhampton were at 67.2% which was approximately 10% below the national average.

The Head of Enterprise commented that due to Covid-19, some key sectors had been severely affected including hospitality, retail and leisure. There were however some sectors which had experienced unprecedented growth including food, distribution, digital and communication. There had been a one Council approach to support businesses to manage the impact of Covid. She highlighted the main issues faced by businesses as Crisis Management and Response, Workforce, Finance and Long Term Challenges.

The Head of Enterprise highlighted that moving businesses online and accelerating digital transformation had been more challenging for some of the City's businesses. Managing disruption to operation and supply chains and complying with the latest government guidance and mandatory closure of non-essential businesses were all issues businesses had faced during the pandemic.

The Head of Enterprises stated that businesses had to manage the health and wellbeing of employees which had been made ever more difficult due to the added pressure of home schooling. They also had to support extremely vulnerable staff and those that were shielding. Furlough had been extended to April 2021. She commented that as business activity slowed, there was less cash flow and therefore liquidity issues were arising. The uncertainty of the future was having a big impact on businesses being able to plan effectively.

The Head of Enterprise remarked that businesses had to let their staff work from home during the current phase of the pandemic unless they could not operate from home. All businesses who could demonstrate a legitimate reason why their employees needed to be at work would be responsible for ensuring their workforce was tested at least once a week. Any outbreak of Covid-19 would result in the business being closed immediately.

The Head of Enterprise on the matter of Brexit stated that there would be no taxes on goods or limits on the amount that could be traded. New Rules of Origin allowed for self-certification of goods as well as a 12-month grace period to allow time for manufacturers to adjust. The UK was no longer obliged to comply with EU standards of data protection. This was an area the Council were addressing. The Council had a number of EU Funded programmes and so they were analysing how these would be impacted.

The Head of Enterprise highlighted some key challenges regarding businesses offering services and importing labour from EU Markets. EU nationals that made up part of a business workforce would now have to apply for settlement and EU citizens applying for skilled work would require a work visa. There were also changes to legal protections and regulations. There would no longer be automatic recognition of new professional qualifications for people such as doctors, chefs and architects. Businesses had been signposted to the latest information on the Council's dedicated Brexit page on Wolves in Businesses. They were working closely with their partners to support businesses.

The brand "Wolves in Business" had been launched in the Summer, which provided support and guidance to businesses. It was also connecting businesses with partners and was having a strong impact. During the last 12 months over 2000 job vacancies had been identified in the City by the Council. Over the Summer, the Council had delivered £45 million in grants to 4,500 businesses in the first national Covid-19 national lockdown. They were currently delivering £2 million in grant support to 1,600 businesses across the City. They were supporting businesses who had vacancies through Wolves at Work. The Council's business support line had received over 10,000 calls since April. The Council would be receiving a share of a national £595 million discretionary fund to support other impacted businesses. She spoke on the Business Relight Programme, where there had been £150,000 investment in supporting 200 City based businesses. The online shop local campaign had launched in November 2000 and was continuing through the pandemic.

The Head of Enterprise presented a slide which showed the grant breakdowns to date. There was nearly £31 million of grant money to be distributed to businesses, it was very important for businesses to come forward that were eligible. A Social

Media campaign had been launched to encourage eligible businesses to apply. The Social Value Campaign which was currently using the title “Big Impact” aimed to drive a strong community wealth model for the City that would bring better paid jobs, sustained and successful economy, inclusive economy and improved wellbeing.

The Head of Enterprise displayed a slide on the Business Relight Programme. They intended to run 5 cohorts of 40 businesses over the next 12 months, each cohort would reflect a cross section of business sectors and sizes. The programme was supported by the Federation of Small Businesses (FSB) and the Chamber of Commerce. It was predicted that there would be a potential return on investment of £1.4 million.

The Director of Communications and Internal Relations commented that partnership work was critical to the Relighting Our City strategy. It was important to ensure that the model for business support was sustainable. He referred to community wealth building and focusing on high growth areas with an evidence based approach. He referred to the importance of the green economy, using the cultural strength of the City and pulling the collective spending power of the City to focus on the local economy.

The Head of Enterprise stated that the next steps in the short term were to continue to roll out grant schemes of over £30 million to support hundreds of City businesses. They would continue to work with businesses to ensure they were Covid safe. There would be short-term investment in boosting resilience in the Enterprise Service. They would be building on the launch of the new ‘Business Relight Programme’ for small businesses, in partnership with FSB and the Chamber of Commerce and recruiting businesses for the programme starting early February. They would be continuing to work on the Customer Relationship Management System to provide better insight on City Businesses. There would be a new approach to insight and engagement with the top 100 strategic businesses and they would be continuing to work on the shop local approach.

The Head of Enterprise posed a couple of questions for Members of the Panel to consider which were as follows: -

1. What else can the Council do, working with partners to maximise opportunities for businesses in our City during the current Covid crisis?
2. How can we ensure the inclusive approach to Wolves in Business so we engage fully with all businesses in the City?

The Cabinet Member for City Economy praised the hard work of the team to support businesses within the City and to regenerate the City’s economy. Shaping the City after the Covid-19 pandemic would be key to the City’s success. He referred to the refurbishment of the Art Gallery, where there would be improved access and a better café facility. He commented that the Scrutiny function was vital as it gave people the opportunity to ask questions and shape Council policy moving forward.

A Panel Member gave praise to the presentation that had been received by the Panel. He requested that a copy of the slides be sent to Panel Members after the meeting. He asked about the support available to people who were self-employed and freelance workers, who were finding it hard during the Covid-19 pandemic. He

also asked where the weakness was in the work that they had undertaken by Officers or had not yet managed to complete.

The Head of Enterprise responded that in addition to the national schemes there was some discretionary money that had been allocated. One of the areas they had identified was pub owners and home-based businesses. It was an ever evolving landscape and they were making amendments to the scheme. In terms of challenges, she identified the sheer amount of work that had all come in at once and planning for the future was difficult. The Director of Regeneration added that one of the issues the team had faced was the gap between the time a grant had been announced by Government and the guidance being received from Government. The changing nature of national restrictions and continuous guidance being received on grants caused confusion with businesses. Some businesses did not want any help, others didn't necessarily know they were eligible, and some did not want to provide the necessary information needed in order for them to receive the grant.

A Panel Member commented that the highest employment sector in the City was currently health, followed by retail and manufacturing. He asked how long it had been in this order and how it compared to other similar authorities. The Head of Enterprise commented that she would have to review the data of previous years and look at the data for the other authorities in the West Midlands. She was aware that employment in the manufacturing sector used to be much higher.

A Member of the Panel referred to the Commonwealth Games and the funds for the Festival of Britain, which was being managed by Martin Green CBE. She understood that there was funding available of up to £10 million for organisations. She asked if the Council or any other organisations in Wolverhampton were applying for funds. The Director of Regeneration responded that he was meeting Martin Green in the following week, to find out more about what was available. There had been a session a few weeks prior through the WMCA (West Midlands Combined Authority) which Martin Green had attended. He thought that Wolverhampton could play a wider role as part of the Commonwealth games. He was happy to provide more information to the Panel when he knew more.

A Panel Member expressed his support for the business grants. He asked what safeguarding measures were in place to prevent fraudulent claims. The Head of Enterprise responded that there were a number of rigorous checks which took place including on the bank account and business status. She thought the process was working well. There was also an important distinction between fraud and an error.

A Member of the Panel stated that in November 2019, Wolverhampton had risen to the top improving UK Cities on PWC Good Growth for Cities 2019 Index. It had ranked as the seventh most UK improving City, scoring above the UK average on transport and income distribution. He asked if the Covid-19 pandemic undermined the benefit and good work that had taken place to bring the City to that position. He thought this was a good point for the Panel to consider at a future point. He was concerned that the self-employed were not forgotten as they had brought much benefit to the community. He asked if more work could be done in the future to support them. The Director for Regeneration responded that the latest PWC report had coupled Wolverhampton and Walsall together. He was going to ask them to see if they could be separated to see what the statistics showed for Wolverhampton. The impact of the pandemic on the City was a good question to have raised. The City

currently had one of the worst Covid-19 case rates in the country and the job claimant rate was particularly high. There were also a number of people in the City still on furlough. He was however pleased that there was a level of investment still being maintained into the City and they were still seeing interest in a number of sites and opportunities. He was happy to bring more information back at a future meeting on the overall status of the City.

The Director of Communications and Internal Relations agreed that a future meeting could address the areas which were part of the wider "Relight Our City" strategy. He also referred to the Five-Year Events strategy. He cited the developments that had been made to the train station and was confident of great progress being made in the City moving forward.

The Chair asked five questions which had been submitted by the usual Chair of the Panel, Cllr Rupinderjit Kaur, who had apologised to the meeting. The questions were as follows:-

1. Can you provide the latest unemployment figures for the City of Wolverhampton and any projections for the future?
2. Have there been many enquires, since the 1 January 2021, to the Business Support Team about Brexit?
3. The report refers to the Council working with businesses to ensure employees who need to be at work, having a lateral flow test once a week. How is this initiative going, do you have any statistics to show compliance?
4. How many people attended the Business Week events held online and how did this compare to physical events held in previous years? Do you intend to have more digital or hybrid like events in the future for Business Week?
5. The Council has in the past promoted the use of businesses using Ebay. Given the Covid-19 pandemic, what work is the Council undertaking to help enable businesses to best take advantage of this platform?

The Head of Enterprise stated that the unemployment rate had rose amongst young people but there had also been a rise in the over 50s. 8,000 people were currently on furlough, up until the end of April. They were trying to talk to businesses ahead of redundancies. She would distribute the latest unemployment figures to the Panel.

The Head of Enterprise on the question regarding enquires about Brexit to the Business Support Team, since 1 January 2021, commented that businesses hadn't approached them but they had been proactive in contacting them in addition to the Covid-19 guidance. The Cabinet Member commented they were waiting for clear direction from the Government on matters relating to the UK's exit from the European Union, citing trade deals as an example.

The Head of Enterprise on the question relating to businesses ensuring employees who needed to be at work, had a lateral flow test once a week, commented that they had started an active campaign with Public Health. They were reaching out to a

whole number of businesses. They were working closely with seven businesses to have dedicated in house support with the lateral flow tests. They were also actively promoting the lateral flow testing centres in the City such as at the Civic Centre and the Gurdwara. People did not have to declare where they worked but they were starting to track the situation. She didn't have actual live numbers.

The Director of Communications and Internal Relations on the question relating to Business Week commented that they had been surprised by the level of interest for the online Business Week events. The Business Breakfast received approximately 350 live views; this was a little less than the actual number of people who attended the physical event last year. He thought a blended approach could be used in the future, taking on the learning from the use of technology during the pandemic. One of the most successful parts of the Business Week had been the marketing for the i9 building, which had led to four active leads.

On the final question regarding Ebay, the Head of Enterprise stated that it had been two years since the Council had established a working relationship with Ebay. They were reaching out to Ebay again to see how they could support the Relight Our City agenda. The skill set was very important. The Director for Regeneration added that the Retail Revival Pilot scheme ran by Ebay in the City had gone really well. In the context of the Pandemic their work was very interesting. They had given Ebay some ideas about the future work that could take place. The Cabinet Member commented on the importance of education in the City, to enable people to have the skills they needed for the employment opportunities available. Working with universities was part of the Council's strategy to bring the business world forward into the modern era.

The Chair, on behalf of the Panel, thanked the Officers that had contributed to the item.

7

### **Director's Update**

The Director of Regeneration gave an update on the areas that fell within his remit, a copy of the presentation is attached to the signed minutes. On the matter of the Future High Streets Fund, the Council had been successful in securing a grant fund of £15.7 million from Government. They were working to ensure all the business cases were finalised and they would then be going to the Council's Cabinet for final sign off. After Cabinet they would contact Government by the end of February to confirm their intentions to deliver the scheme. The finances awarded were not the full amount they had wanted but they were confident they could deliver on the four key areas planned. These were supporting projects on Victoria Street, Civic Halls, Cleveland Parade and Bell Street. The funding ran until 2024, as part of the business cases they would be addressing the phasing for delivery.

The Director of Regeneration remarked that the Interchange Project had been awarded the RTPI West Midlands Award for Planning Excellence. The Project had also just won Regeneration Project of the Year at the Insider Property Awards having been shortlisted and nominated for three awards. The Interchange Project was well into Phase two and was on programme for completion in Spring 2021. It was hoped that the Metro line extension would be completed by Christmas 2021. The i9 building was on course to complete on programme in July 2021. Marketing of the site was now live and they were in advanced pre-let discussions.

The Director of Regeneration stated that in principle, funding had been secured from the future High Streets Fund to support the delivery of public realm works outside of the Civic Halls. They were in the final stages of the operator and commercialisation procurement process. It was on the forward plan for Cabinet Approval in quarter 1 of 2021. Works to the main roof were well progressed and structural steels were being installed in the Civic and Wulfran Halls. The project was on programme.

The Director of Regeneration spoke on Lower Horseley Fields. Planning had been submitted in November 2020 for 372 units including commercial space at the former Union Mill Site. The Planning application was due for determination in March 2021. An application for gap funding had been submitted as part of the Towns Fund submission in July 2020. They were still awaiting to hear from Government on whether the Town's Fund submission had been successful. He understood that the announcement would be made in February 2021. He thought that they would receive some funding from the Town's Fund but that it would be significantly less than that asked for in the bid submission.

The Director of Regeneration commented that there had been significant interest in the i54 Western Extension. The project was currently delivering on programme and under budget. He hoped there would be an announcement on the end user in a few months' time.

The Chair, on behalf of the Panel congratulated Officers on the awards received for the Interchange Project. The Cabinet Member paid tribute to the work of Officers on the regeneration projects and added that they would use whatever grant funding was received to achieve the best outcomes for the City.

## 8 **Work Programme**

The Scrutiny Officer presented the Panel's current Work Programme. For the next meeting in March there was the Portfolio Statement and Question Time item.

The Chair stated that he had attended the Public Realm Reference Group meeting earlier in the day. The Green Economy had been raised in respect to Green Transport. He asked if this could be recommended to the Chair of the Vibrant and Sustainable City Scrutiny Panel for discussion at their Panel meeting next week, where he understand transport was an item on the agenda. The Scrutiny Officer agreed to facilitate this recommendation.

The Cabinet Member raised the matter of the Green Economy and asked if this was an opportunity for the authority to champion and to approach the WMCA. The Chair asked if this idea could be further explored by the Scrutiny and Systems Manager.

## 9 **Future Meetings**

It was confirmed that the next meeting of the Stronger City Economy Scrutiny Panel would be on Thursday, 18 March 2021.

The meeting closed at 7:36pm.