

Stronger City Economy Scrutiny Panel

Minutes - 28 July 2015

Attendance

Members of the Stronger City Economy Scrutiny Panel

Cllr Harman Banger
Cllr Philip Bateman
Cllr Val Evans
Cllr John Rowley
Cllr Paul Singh
Cllr Tersaim Singh
Cllr Jacqueline Sweetman (Chair)
Cllr Martin Waite
Cllr Jonathan Yardley

Employees

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

Part 1 – items open to the press and public

Item No. *Title*

- 1 Apologies**
Apologies were submitted on behalf of Cllrs Payal Bedi, Daniel Warren and Welcome Koussoukama.
- 2 Work Programme**
Resolved

That the work programme be discussed in conjunction with the final item on the agenda relating to corporate priorities
- 3 Declarations of Interest**
There were no declarations of interest
- 4 Nominations for Vice-Chair**
Cllr Jonathan Yardley was nominated by the Chair and duly seconded by Cllr Paul Singh to be Vice-Chair of the Stronger City Economy Scrutiny Panel for municipal year 2015-16.

Resolved

That Cllr Jonathan Yardley be elected Vice-Chair of the Stronger City Economy Scrutiny Panel for municipal year 2015-16

5 **Chairs welcome**

The Chair welcomed councillors and officers to the Stronger City Economy scrutiny panel. She gave special thanks to Cllr John Rowley as former Chair of the Enterprise and Business scrutiny panel.

The Chair advised the panel that a discussion would take place as the last item to agree what the panel should concentrate on this municipal year, she suggested the panel need to consider what is on the money, including investment, jobs and wealth to the City.

6 **Overview of external funding**

Heather Clark, Service Development Manager provided a report to give background and presentation to give the panel and an overview on external funding.

The presentation outlined:

- Attracting external funding
- Achievements: developing a vibrant city; stronger city economy; access to finance
- Approach : Support to access funding; influencing funders; hide the wiring for businesses to access finance to enable growth
- Opportunity: Supporting business, encouraging enterprise and attracting investment; people developing the skills and employability; pipeline development

Cllr Phil Bateman said it is useful to see the bids pipeline development in a simple diagram. The Chair thanked officers for the presentation and invited questions from the panel:

Cllr Martin Waite referred to the recent Cabinet external funding update report and referred to the broader landscape, funding bids from UK and Europe and asked about risks of funding that has been awarded but not yet received by Wolverhampton, potentially being snatched away from the City. Keren Jones, Service Director advised that the European funds are tied in through a process agreed at European level, she advised it is unlikely that any retraction of funding would happen at this stage of the process; therefore planning for the projects arising out of the funding will continue and will be followed through to delivery. She clarified that there is a good pipeline of projects in terms of schemes that we will be able to deliver.

She advised that the Council is watching the local growth fund closely at the moment in terms of the Universal Spending Review and indicated that there are very challenging circumstances ahead, it is likely that Further Education (FE) will be significantly affected. Cllr John Reynolds, Cabinet Member for City Economy advised that there will be mid-year cuts to Adult Education Services (AES) funding from September 2015.

In response to questions relating to green economies such as solar power, the Service Director advised that Cabinet (Resources) Panel agreed a report in April 2015 endorsing the proposal to adopt the EU framework for Smart City and agreement to the approach to driving forward the Smart City agenda, which includes the green economy. She advised that there were three really strong projects underway that had been submitted in the first round.

Cllr Martin Waite welcomed that all the bids are moving forward in a five year programme prior to the referendum on European. The Service Development Manager advised that the normal roll out of funding is contract and three years to spend. She advised that we need to ensure as much funding as possible in this round of bids committed before January 2016. She clarified that the contracts should be complete and projects ready to deliver in January 2016.

Cllr Phil Bateman indicated that one really important element of strong economies is private business and the private sector. He indicated that he had requested information about foreign owned businesses in Wednesfield North and South. He commented that much of the business world grows and invests without public sector intervention, and asked how we are going to attract inward investment alongside attracting external funding particularly in relation to the aerospace industries. The Service Director acknowledged the importance of inwards investment and advised that a future panel meeting will be dedicated to inward investment.

In response to a question about the rebate from EU to UK the panel were advised that the calculations are complex but that put simply the rebate is netted off and that the total payment is the same.

Cllr Bateman questioned whether the Wolverhampton Business Champion meetings were continuing. The Service Director confirmed that was the case and that the new Chair for the Economic Growth Board is also a Business Champion. Cllr Martin Waite asked about skills funding and whether small businesses can bid or if skills training is largely the domain of large organisations. The Service Director advised that in terms of public funding, European Structural and Investment Funds (ESIF), there is funding available for training providers through the Skills Funding. She confirmed that there are schemes going forward such as skills for growth, employer engagement where businesses will sort bespoke training and apprenticeships, which are still considered the way forward by national government. Cllr John Reynolds advised that there is a need to come up with more innovative ways to deliver apprenticeships, there is an interest from students and need to get business champions involved.

Resolved

That the panel note the report and presentation relating to the external funding opportunities available and the role of the City of Wolverhampton Council in securing funds to enable the delivery of corporate priorities.

- 7 **Corporate Priorities relating to the Stronger City Economy Scrutiny Panel remit**
Keren Jones, Service Director outlined the corporate priorities for place relating to Stronger Economy. Cllr Phil Bateman referred to comments made earlier in the meeting relating to the 17 foreign investors that have moved in to the Wednesfield

area creating jobs and increasing economic viability of the area. He suggested that 12% of industry in Wednesfield is advanced manufacturing which is a good example for Wolverhampton. He requested that when setting policies this should be taken into account and that the Council should not focus exclusively on three priority areas. The Service Director assured the Panel that the corporate priorities take account of the issues raised by Cllr Phil Bateman, she advised that the Council will be acting in a brokerage role to work with specialist sector organisations in a sectorial base, as well as a geographical base. She advised that there is more work to do on the infrastructure however work around joint venture funding is on-going and talks with Wiggle, UTC and foreign owned companies are on-going.

The Service Development Manager informed the panel about installation of Cabinets for superfast broadband in Wednesfield to support businesses and to attract others to the area. Cllr Paul Singh and Harman Banger welcomed the developments in Wednesfield, Cllr Harman Banger commented that the size of the business and the impact it has on the City is important when attracting inward investment. Panel discussed the need to attract small and medium enterprises (SMEs) to the City as well as larger organisations.

Cllr Harman Banger suggested that there is a need for a complete package to promote inward investment opportunities. He asked how Wolverhampton compared with other Councils, in particular how Wolverhampton is reflected on the internet - sites, lifestyle, and the complete package.

The Chair highlighted the draft work programme that had been tabled for information; she indicated that several themed sessions would pick up the issues highlighted in discussion during the meeting the including inward investment and the visitor economy.

The Service Director advised panel that the additional session on 24 September 2015 would be timely to provide information about 'Making it Happen' and how we are selling Wolverhampton abroad; improvement to the website and the launch of Business Week 2015. Further information was shared with the panel in terms of the inward investment session and that a dedicated officer has been recruited to focus on city investment and the gap in terms of European funding available to encourage investment of SMEs.

In response to further questions the Service Director confirmed that the Council's corporate communications teams are all involved in the marketing of the city.

Cllr Martin Waite asked whether the Council has enough resources to support existing businesses to upscale and whether the marketing of Wolverhampton is outward facing to external companies. The Service Director advised that a part of the focus for the City Economy Service is the conference programme to bring everything together. Three conferences based on themes of: Working well; Business Week; Visitor Economy. She advised that this is the platform to launch big cultural changes in Wolverhampton. She suggested the Panel could play a valuable role in monitoring campaigns and the effect they have had, to explore ideas and re-invigorate intelligence.

The Chair clarified that the programme of meetings for the year is a work in progress. Cllr Jonathan Yardley, the Vice-Chair requested a site-visit to the Custard Factory be

included in the work programme. He highlighted good practice of 'Make it or Bake it' events in Tettenhall Green which he suggested members may want to hear more about it in an information paper.

The Service Development Manager welcomed the suggestion of a Custard Factory visit, she highlighted a similar project that is under consideration in Wolverhampton to use an empty building to house creative businesses. She advised that University colleagues have recently led on the bid to do this work. The Service Director suggested that the University colleagues could be invited to join the panel on the site visit.

The Chair thanked everyone for their contributions when discussing the draft work programme and indicated three areas for scrutiny in addition to those on the work programme:

1. Intelligence on how Wolverhampton is selling Wolverhampton to foreign owned companies
2. Monitoring of campaigns – Working well; Business week and Visitor economy
3. Visit to the Custard Factory, Birmingham with colleagues from Wolverhampton University

Resolved

1. That the corporate priorities and draft work programme are noted and that the following items be added to the draft work programme:
 - Intelligence on how Wolverhampton is selling Wolverhampton to foreign owned companies
 - Monitoring of campaigns – Working well; Business week and Visitor economy
 - Visit to the Custard Factory, Birmingham with colleagues from Wolverhampton University