

Stronger City Economy Scrutiny Panel

Minutes - 12 February 2019

Attendance

Members of the Stronger City Economy Scrutiny Panel

Cllr Ian Angus
Cllr Philip Bateman MBE
Cllr Payal Bedi-Chadha
Cllr Alan Butt
Cllr Craig Collingswood
Cllr Claire Darke
Cllr Christopher Haynes
Cllr Barbara McGarrity
Cllr Jacqueline Sweetman (Chair)
Cllr Jonathan Yardley (Vice-Chair)

Witnesses

Steve Wright (Plastic Bottles Supplies Ltd)
Philippa Tailor (Ten Point Nine Tailoring)
Mary Tailor (Ten Point Nine Tailoring)
Matt Weston (Stones Throw Media)
Mike Chinn (Stones Throw Media)

Employees

Martin Stevens (Scrutiny Officer) (Minutes)
Richard Lawrence (Director of Regeneration)
Isobel Woods (Head of Enterprise)
Heather Clark (Manager Strategic Project Funding)
Jeff Marlow (Business Development Manager)
Glenn Watts (Black Country Growth Hub Aim Navigator)
Sharan Anmol (Black Country Growth Hub Aim Navigator)

Part 1 – items open to the press and public

Item No. *Title*

- 1 **Apologies**
Cabinet Member, Cllr John Reynolds sent his apologies, not as a Member of the Panel, but as the relevant Portfolio Holder.
- 2 **Declarations of interest**
There were no declarations of interest.

3 **Minutes of previous meeting**

The minutes of the meeting held on 20 November 2018 were approved as a correct record.

4 **Matters arising**

The Chair asked when the report on the budget consultation would be received by the Panel. The Scrutiny Officer responded that it would be received in the new municipal year.

5 **Innovation**

The Head of Enterprise introduced a report on Innovation. The report built on the information which had been provided in a report to the Scrutiny Panel in April 2018. Since that meeting a paper titled "Business Enterprise Research and Development" had been released in November 2018, which presented the current impact of research and development on the UK's business sectors. Expenditure on research and development was continuing to grow and was predicated to continue on an upward trend. The medical sector made the highest contribution to research and development, followed by automotive, computer gaming and aerospace, technical testing and software development.

The Head of Enterprise stated that Officers in the Council's Enterprise department were engaging with businesses in the City. The intelligence obtained from engagement was helping to shape and influence the activities the Council undertook. It was also identifying areas which the Council could support businesses and highlighting the overall benefits that the businesses were bringing to the City. The work undertaken had been captured in the Council's, Strategic Economic Plan (SEP). The SEP outlined how innovation was supporting broader wider economic growth in the City.

The Head of Enterprise commented that there had been some very successful work completed by the Business Engagement Team. In addition to the Council's work with Small Medium Enterprises (SMEs) they also had a targeted approach with the strategic companies in the City. There had been a particular focus on innovation with the aerospace companies in the City. Technological innovation and research and development were key to the strategic companies. Steering those companies was Industry 4.0, an accreditation which captured automation, manufacturing technologies, cloud technologies, the internet of things which led to the creation of 'smart factories'.

The Head of Enterprise highlighted that the Business Engagement Team was largely funded by European funding. The funding they had secured ended at the end of 2019. They had submitted a bid to the Ministry of Housing, Communities and Local Government (MHCLG) for further funding until 2021 and were awaiting to hear if they had been successful. The MHCLG had already secured the European funding regardless of Brexit.

The Chair invited, Mr Steve Wright (Plastic Bottles Supplies Ltd) to present to the Panel. He stated that he had setup the company over twenty years ago. Its first year's turnover had been £12,000. He was now manufacturing 6 to 6.8 million bottles per month. The company turned over in excess of £15 million last year and was employing 105 people.

Mr Wright commented that if the Government introduced a rule that migrant workers had to be earning £30,000 or more to be permitted to work in the country, he would struggle to find the staff to work in his company. Approximately 50% of his workforce were non-UK Nationality. The Head of Enterprise commented that the Wolves at Work Initiative could help prepare people for work at Mr Wright's company. The initiative could also help find suitable staff.

Mr Wright remarked that the ever-increasing energy costs were also a challenge. New greener technology helped but there was still a need for electricity. Travel disruption had an adverse effect on his company because of the amount of deliveries to and from the site. It had been particularly bad in the last two years because of the extensive road works. The M6 was problematic from a haulage perspective. Any improvements the Council could make to improve traffic flow in the City and the wider region would benefit his company.

Mr Wright commented that he was extremely grateful for the support from the Business Engagement Team Officers. Their help had enabled him to secure several grants which had played a large part in making his products more sustainable. He believed his plastic bottle company to be the most innovative in the world, in that particular market. The success of the company had been down to innovation. They were now producing one plastic bottle, which was 100% recyclable and was able to be purchased commercially.

Mr Wright stated that one of his frustrations was when the Council sold large amounts of land direct to developers. The developers would then add 30% to the price. He asked if the Council as part of their long-term strategy would consider selling land direct to businesses, who were considering a new headquarters or factory. It was too expensive for him to buy a suitable building from developers, but it would be more affordable if the land was sold direct from the Council to the business. He believed pockets of land should be ring-fenced for current local businesses. The Director for Regeneration commented that he had met a Local Agent the previous afternoon about local industrial land availability. There was clearly a need for quality industrial space, but there wasn't much available at the present time. There were a lot of interested developers and investors, in particular as the market in Birmingham became overheated. There was clearly some work to be done in the future regarding how to unlock land for industrial use.

The Chair invited, Philippa Tailor (Ten Point Nine Tailoring) and Mary Tailor (Ten Point Nine Tailoring) to present to the Panel. Their company made clothing and accessories for the shooting community. Many of their clients were Olympic and Commonwealth games medallists and they had recently developed two products, a padded rifle case and a padded shooting mat.

The Business Engagement Team had been most helpful in finding them suitable accommodation for their business. They had also helped them source a local supplier, Ramsay Cellular products of Bilston, for the foam required in their protective cases. They were concerned about the impact Brexit would have on the sport of shooting and their local business. They imported considerable materials to make their products. They had a large amount of questions, where there was uncertainty over the answers, because the arrangements for Brexit were still unclear.

Mary Taylor commented that there were many retail spaces available to rent in Wolverhampton, but the rental rates were too high. They thought that schools teaching shooting as a sport and the establishment of local leagues would benefit their business. There were plans for a shooting league at Aldersley. They were also hopeful that the Commonwealth Games in Birmingham would have shooting as an event.

The Chair invited, Matt Weston (Stones Throw Media) and Mike Chinn (Stones Throw Media) to present to the Panel. They were based at the Science Park. The funding they had obtained from the Speed Plus programme had meant they had operated rent free for a year and a half. They were hoping to soon hit a turnover of one million pounds and were actively searching for a new unit. They wanted to expand to be able to offer a world class recording studio. They had been fortunate to benefit from funding from Black Country Transformation Gold (BCT Gold) and AIM (Advice Investment Markets). Their drones had been half paid for by grant funding. They had learnt valuable information by networking with other businesses in the local area. They had been delighted to receive the 2018 Micro Business of the Year - Express & Star Award.

The Chair commented that there had been two important common themes from the evidence given by the witnesses. The first being the importance of having the right facilities and premises available locally at an affordable cost and the second the importance and value of the Council engaging local businesses. The work that the Business Engagement Team had completed had clearly had a valuable positive impact on the local economy. There was much to learn with engaging in local businesses, which could be beneficial to the Council and the wider local economy.

Members of the Panel thanked the Business Engagement Team for their excellent work which had been detailed in the report and described during the witness evidence given during the meeting.

6 **Strategic Economic Plan**

The Manager for Strategic Project Funding introduced a report on the Council's Strategic Economic Plan. The plan was now out for consultation, which would close on the 22 February 2019.

7 **City Commission**

The Director of Regeneration introduced a briefing note on the City Centre Commission. Last summer, Members had announced their intention to setup a City Centre Commission. There had been subsequently two meetings with Mr Bill Grimsey, who was the author of two influential reports on the state of the High Street. These reports had subsequently interlinked with the Government commissioned report on the High Street written by Sir John Timpson, commonly referred to as the "Timpson Report". A workshop had been held with the help of the West Midlands Growth Company. A number of options had been put forward in what was a challenging agenda. The Government had recently announced the Future High Street Fund and were expecting expressions of interest towards the end of March 2019. It was intended to submit an expression of interest for the City of Wolverhampton. The preparation work for the expression of interest was taking up significant resources and time. When it had been completed they would be able to focus more on the progression of the City Centre Commission.

The Chair recommended that the Chair of the City Centre Commission should be someone from the organisations that the Council approaches. Strategic purpose was most important when working collaboratively across organisations. She wanted to see how the City Centre Commission fitted in with all the other forums and strategies the Council had for selling Wolverhampton as a City. She did not want the City Centre Commission to act in silo.

Resolved: That the briefing note on the City Centre Commission be agreed.

8 **Work Plan**

Resolved: That the Scrutiny Work Programme be agreed.

9 **Future Meeting Dates**

The future meeting dates of the Stronger City Economy Scrutiny Panel were detailed.

The meeting closed at 7:35pm.