

Stronger City Economy Scrutiny Panel

Minutes - 24 September 2015

Attendance

Members of the Stronger City Economy Scrutiny Panel

Cllr Harman Banger
Cllr Philip Bateman
Cllr Welcome Koussoukama
Cllr John Rowley
Cllr Paul Singh
Cllr Tersaim Singh
Cllr Jacqueline Sweetman (Chair)
Cllr Martin Waite
Cllr Daniel Warren
Cllr Jonathan Yardley (Vice-Chair)

Cllr John Reynolds Cabinet Member

Employees

Jim Cunningham Head of Service
Keren Jones Service Director - City Economy
Deb Breedon Scrutiny Officer

Witness
Dan Corrigan Operations Development Manager, Wiggle

Part 1 – items open to the press and public

Item No. *Title*

- 1 Apologies
Apologies were submitted on behalf of Cllrs Payal Bedi and Val Evans
- 2 Declaration of interest
Cllr Phil Bateman declared a non-pecuniary interest in item five on the agenda 'Attracting inward Investment' relating to transportation
- 3 Minutes of previous meeting (28.07.2015)

Resolved:

That the minutes of the previous meeting be approved and signed as a correct record subject to Cllr John Reynolds being included on the attendance list.

- 4 The City of Wolverhampton - 'Making it Happen' Video
Keren Jones, Service Director City Economy provided a video presentation to demonstrate the key values of the Wolverhampton 'Making it Happen' brand. She advised the Panel that the video had been produced following the 'First Impressions of the City' scrutiny review to provide a marketing framework, the video gave a summary of the Wolverhampton story and which had been produced by Connect PR very much in partnership with business to attract inward investment to the City. She explained that the video would be available in different versions for the target audience.

Following the presentation the following observations were made:

- The slides moved forward too fast in some places.
- The video would be geared toward the inward investor.
- The content of the video is an excellent introduction to Wolverhampton, with accurate facts and figures about Wolverhampton that can be used by anyone.
- It is a good starting point for refreshing the City brand.
- Some were of the view that there not enough visitor attractions highlighted, it needs more than the Civic Halls and the Grand Theatre incorporated.
- The video prioritised the developer and investor audience as a priority; however a different version can be developed for the visitor economy.
- The style of the video is good, it created a buzz about the City which would challenge perceptions, and encourage investors and developers to take further interest in what the city has to offer.
- Some members would like to see some of Wolverhampton's distinctive buildings.
- It is encouraging that the video was being presented at their annual AGM by Benson and Elliot, developers of the Mander Centre.
- The video was effective at holding the audience focus.
- The headlines are factual, short and snappy which aims to get investors in for further discussions.
- Further versions should be tailored to target audiences.
- The video highlights what the City can offer, and a hopeful industrial future.
- The identity of Wolverhampton should include the new City of Wolverhampton logo.

In response to a question from the Chair about relationships with inward investors Jim Cunningham, Head of Enterprise and Skills advised that there is a need to get a good working relationship with the company, to promote. The messages are powerful if they come from a Wolverhampton based business. It is important to have an ambassador for Wolverhampton if an overseas company is the target audience.

- 5 Attracting inward investment
The Head of Enterprise and Skills introduced the report, highlighting the need to work closely with the Wolverhampton Business Champions including Carvers, Carillion, Marston's and UTC Aerospace. Business champions promote the city and how the Council works with the business community.

The Service Director highlighted that the business champions played a tremendous role to raise the profile of Wolverhampton internationally, as 'premium league' businesses they stand up for the City, talk for the City and promote Wolverhampton

in the business world. She advised that the University also has strong links with the business champions.

In response to a question from the Chair, relating to further collaborative work with businesses, the Service Director advised that alongside the business champions, there is the Economic Growth Board, which has representatives from a wider range of sectors. She advised that John Wood, the Managing Director for Caparo Industries is chairing the group and Wolves Chair, and Matt Grayson, Chair of the sub-group that helped develop the film. The Head of Enterprise and Skills highlighted his role to outward facing promoting the City creating infrastructure and that this was a whole team approach.

The Head of Enterprise and Skills outlined the Councils approach to account management; the need to be fleet of foot, open and be the go to manager to the team. He advised that planning and financial support is of particular importance to inward investors.

Cllr Harman Banger asked what information is available on the internet to assist potential investors from abroad; he suggested areas of interest, frequently asked questions and a pro-forma should be available for the investor to highlight different requirements such as visa and immigration details. He suggested that particulars of available sites in different bands of investment and different ranges should also be available.

The Head of Enterprise and Skills advised that business opportunities are split into different bands and that there is knowledge of where and what is available and that the team work with the investor to tailor a response to the needs of the bespoke company. He highlighted that if a company that wants to invest in the City it would have to take into consideration the relocation of key staff, maybe ten people and their families to set up the business in order to create 150 jobs for the area. He advised that the Council should support them to secure the investment and to develop a strong relationship. Cllr Harman Banger indicated that many businesses would want to browse the website to see what was available.

The Service Director explained that the City Economy Service recognised the need to develop our approach with the land agents and launch the city investment and destination website.

6 Case study

The Chair, Cllr Jacqueline Sweetman welcomed Dan Corrigan, from Wiggle, a high growth company that has recently located in the city.

Dan Corrigan provided the Panel with a brief history of the Wiggle Company; he highlighted the following milestones in the Company's development:

- Started in 1992 from the back room of a shop.
- Developed ecommerce and launched globally in 2008. The exchange rate worked in their favour to enable the company to grow. e.g. it was cheaper for trainers to be shipped from UK, than to be produced and bought in Australia or United States of America (USA).
- Wiggle now deliver to 75 countries in four core markets.

- Based in Portsmouth, the company had started to become inefficient, requiring larger premises to expand. They started searching for a new location.
- They began logistics mapping in February, taking into account physically coping with projected growth in 3, 5 and 7 years without disturbing their growth curb.
- The main growth area of the company is international - specifically USA and Europe. This meant location to international ports (both air and shipping) in the UK is critical.
- Business will stay in the UK as logistics make it the centre of the universe.
- More investment would be needed to move to the USA.

The Chair asked why Wolverhampton and not Manchester. Dan Corrigan responded that many of the goods shipped (96%) are tracked; by tracking the cost of 'goods lost in the post' has been reduced. The Midlands is central to many main hubs for tracking goods, motorway network and airport; East Midlands airport, main hub to ensure midnight flight to ensure next day delivery; DHL hub in Birmingham.

In response to questions about the size of storage and the length of lease Dan Corrigan advised that the 500,000 square metre site allows for projected growth, any larger than that and it would be more cost effective to buy land and build. He confirmed the lease was for 15 years initially he advised 170-180 employees would be appointed and as the company grows into the space it is anticipated that 500 employees will be employed in three years.

Dan Corrigan advised that the support from Wolverhampton Council had been excellent during the preparation to relocate. He advised that initially three members of the management team had moved to Wolverhampton in a shared house, middle management members were relocated some with families that required school places and housing to be identified and Council support with processes to settle employees as soon as possible.

The Chair asked Dan Corrigan to identify any areas that Wolverhampton could improve. He advised that from a people point of view he had to go through many people to find the skill set he needed and could have tried to find them earlier in the process. There could also be better information about local suppliers e.g. when trying to put up perimeter fences on site it had taken time to find a local company who could provide the service, more support to find the set up services may have been helpful. The Head of Enterprise and Skills advised that there is a challenge for the City to give intensive support to companies and their employees when relocating a major business.

Cllr Phil Bateman welcomed that Wiggle had found the site and supply chain it needed and asked about the cultural offer. Dan Corrigan advised that the company has great interest in bicycles and fitness and would like to see fitness events in the City. He was advised that the City has a cycling forum and active to work initiative which Wiggle may want to get involved with. He acknowledged that there were synergies and that Wiggle would want to get involved as the company has a professional cycle team and have supported road races in Portsmouth. Panel members referred to the Mayoral role and indicated that the City supports the Carver Marathon and would consider support for a cycle road race.

Cllr Phil Bateman highlighted the good rapport and working relationship between Wiggle and Council employees and suggested that further goodwill to other staff at Wiggle could be demonstrated by a visit from the Mayor. Cllr Phil Bateman asked if Wiggle have been invited to be business champions for the City. The Service Director advised that it was early days. The Service Director also advised that providing intensive assistance to an inward investor creates a capacity issue, as one member of the business team is essentially taken out of day to day work load and that in a team of three this can be very challenging. The Panel highlighted the need to expand the team.

Cllr Martin Waite asked about protocols for establishing leads and contacts for business and whether there is risk to taking on a big factory space when technology is progressing so quickly and the need for moving goods from one place to another may be obsolete due to the ability to create items by 3D printing. The Service Director indicated that there is a lot more development work the Council can do to gather qualitative information about the service sectors and business base in the City.

The Head of Enterprise and Skills indicated that in terms of getting the message out there, Wolverhampton is a place to make things happen. The City has high level manufacturing base, but also high level unemployment and the need to attract floor level into jobs in a mixed bag of businesses. The Service Director advised that there is a good relationship with the University to get more investment into innovation.

Cllr Phil Bateman asked how the Council is supporting the indigenous businesses and was advised that the Council has been strong in business start-ups in its third year, but survival rates were still lower than average at five years after the birth of a company. The reasons for this are complex. She clarified the need to be able to help and support growing businesses as a priority for the city.

The Chair thanked the City Economy Service, particularly the Enterprise team, for the work they were carrying out to raise the profile of the city and to get business into Wolverhampton.

The Chair thanked the Inward investment team for the work they were carrying out to raise the profile of Wolverhampton and to get business into Wolverhampton.

Resolved:

1. That the observations given by Dan Corrigan of Wiggle be taken into account by the inward investment team to strengthen the inward investment offer.
2. That the appropriate employee enters into further discussion with Wiggle to develop the cycle marathon idea.
3. That further consideration is given by the inward investment team to a mayoral visit to Wiggle.

7 Background papers - leaflets and factsheets

Resolved:

That the information was received

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