

Business Growth Plan City of Wolverhampton

Draft for Consultation

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Introduction

Our city economy is now worth £4.7 billion pounds and supports over 100,000 jobs. Over the last 10 years the City of Wolverhampton has seen major successes, including the award-winning £1 billion i54 business park, the £150 million Interchange transport hub, the £17.5 million National Brownfield Institute at the University of Wolverhampton's Springfield Campus and the £16 million construction of the i9 office complex – now home to the Department for Levelling Up, Homes and Communities' second headquarters. All of this and much more has led to growth – driving forward our economy and building confidence.

We have a pioneering business community in the city, including very high levels of female-led firms (6th of all local authorities in the UK), ethnic-minority owned businesses and social enterprises. These organisations form part of a diverse business ecosystem with major strategic companies, fledgling start-ups, scaleups and innovators.

We know that economic circumstances have changed drastically in recent years, and businesses have adapted to the most difficult trading time in living memory. There is a challenging balance required, between supporting business survival in the here and now, and strategically supporting a more productive, innovative and successful business base for the long-term. There are major opportunities in our city's future, **our economy is projected to grow by £2 billion to £6.7 billion by 2040 an increase of 43%**.

Working with our city businesses we want to go further and faster. This plan sets out six priorities which we believe are key to supporting our local business base to meet the challenges of today whilst preparing for the growth opportunities of the future. These are:

- Business Support and Finance
- Leadership and Management
- Workforce Planning
- Technology and Innovation
- Net Zero and the Green Economy
- Accessing New Markets

Our Role in the Business Support Ecosystem

The City of Wolverhampton Council is one piece of a complex economic system which operate across multiple footprints and actors. We think our future role in the business support ecosystem is to have a crucial interface role operating in the space between public and private suppliers, businesses, and other strategic partners. The service will have four objectives: Delivering real economic change requires key partners to align around a shared vision. To make that happen, the Council commits to using its role as a partner, enabler, and leader to deliver change.

We will:

- Simplify routes to support: Through a new single front door the service will provide information to businesses on a range of support options in one easy to access location. This will be delivered on-line through a new Business Growth website and face to face through IGNITE.
- Drive uptake of support: Promote business support in all parts of the city, working with providers and partners to undertake joint campaigns which make use of existing events, channels and networks.
- Help businesses to understand their support needs: The service will offer 121 growth advice and review services to help businesses explore their challenges and opportunities to identify the best package of support to help them grow.
- Oversee, co-ordinate and support delivery of public investment in business support: The service will work closely with Business Growth West Midlands at the West Midlands Combined Authority and will have a key role in shaping and in some cases delivering publicly funded business support.

How will we support businesses?

To support local businesses we will make it as easy as possible to work with us and continue to deliver consistently high quality core services. Through our Business Growth offer local businesses in Wolverhampton will be able to access a range of support through the following services:

- Information and Advice on the range of business support services, including workshops to raise awareness of opportunities, through our Business Growth website to act as a one stop shop for support and via IGNITE.
- Diagnostic support to understand immediate and longer-term support needs through a review of business aspirations, market opportunities and operational challenges creating a growth plan for that business.
- Business grants will be available in some cases where public funding has been devolved to the Council like our current SME and Net Zero Grants funded by the UK Shared Prosperity Fund.
- Brokerage support and guidance to agree a package of help from a business support service, including help to secure subsidised support where available and eligible.

Working in Partnership

Collaboration with partners helps to create a well-functioning local business support ecosystem, pool resources and share best practice resulting in a more effective offer. Whether it's access to funding, specialised knowledge, or extended networks, these partnerships open new avenues for addressing the challenges faced by our business community.

Strong partnerships help to amplify our voice in promoting policies and initiatives that support our local economic growth, while also increasing our ability to secure funding and support from government agencies, and other stakeholders who share our vision. Together, we are more resilient, innovative, and equipped to overcome economic challenges, ensuring a thriving and sustainable future for our community.

We work in conjunction with a number of local and regional partners. Including Business Growth West Midlands who we are working alongside us to deliver a package of economic development initiatives using funding from Government's UK Shared Prosperity Fund.

Good Growth Strategy

Our Business Growth offer is a key part of delivering our Good Growth strategy, which is made up of three interconnected themes of place, productivity, and people. We all businesses, residents, families, and communities benefit from the economic growth and new opportunities in our city.



Our Strengths

- Wolverhampton was crowned **MOST ENTREPRENEURIAL CITY IN THE UK** (*Superscript, November 2022*).
- **95% OF THE CITY IS GIGABIT CAPABLE** compared to the UK average of 80%
- **Over 90 languages are spoken** in the city
- **3 million people live within 20 miles of the city centre**
- **University of Wolverhampton has a consistently high graduate employability rate** with over 90% of the University's cohort in employment, education, or running their own business.
- **Between 2021 and 2043 Wolverhampton will have grown by more than 34,000 people**
- **Ranked 6th for the number of female owned business** across all local authority areas in the UK

Business Growth Priorities

Business Support and Finance

The business support landscape is complex with multiple actors and hundreds of different programmes and initiatives. It can often be difficult to find independent advice about the best product for you. We can provide 121 support to help define future growth needs and potential, helping to sign post to appropriate support with one of our partners. We know a challenge for businesses when thinking about growth is access to capital and finance. Finance is crucial for new and small and medium-sized enterprises as it enables them to undertake growth-oriented activities enabling them to expand and upscale their operations. However, SMEs often encounter problems accessing finance which can hamper productivity growth.

Support is available whatever stage your businesses is at, from tailored support at IGNITE for startups through to support for high growth businesses as part of the WM Investor Readiness programme which seeks to help small and medium enterprises access finance. Our tailored 121 growth support will help you to identify your growth opportunities and a package of appropriate support to take forward your aspirations.

In addition, the Council will continue to deliver consistently high-quality core services from licensing and trading standards to environmental health, our specialist teams at the Council can help your business comply with the law. As well as support to expand, whether you need guidance on planning permission and building regulations, or support to develop business property in Wolverhampton.

Leadership and Management

Leadership and Management skills have never been in greater demand as our economy and businesses grapple with challenges brought about by the pandemic, Brexit, net zero and rapid technological change. In the UK, many managers particularly those in SMEs have not had any formal leadership and management training. A recent study by Birmingham City University identified management capabilities as key drivers of improved productivity in the region proposing that a lack of management training in SMEs in the West Midlands impacts productivity.

Leadership and management skills can take many forms. From entrepreneurial skills to identify customer needs and market opportunities, to organisational and strategy development skills. Larger firms often have the internal capacity and resources to have ongoing strategic reviews of management training and a dedicated business function focused on this. However smaller and less resourced firms may rely on business support programmes to access this kind of support.

There is lots of support available for SME's in these areas. This could include networking opportunities through one of our city forums or networks, as well as dedicated mentoring support with other business leaders. Support for future aspiring leaders from under-represented groups will also be a priority for our business growth approach. Programmes such as the Help to Grow Management offer launched as part of Governments' Plan for Jobs offers support to build leadership skills to shape high performing workplace.

Workforce Development

To help our businesses maximise the opportunities in our local economy we need to establish a talent pipeline of well skilled people who can meet the needs of local businesses. There is a positive link between the number of high skilled workers in an area and the generation of new and innovative ideas and ways of working which support higher output and productivity. In 2023 we launched our Education, Skills and Employment Strategy for the city, it sets out our commitment to work with our partners to build a skills and employment system which meets the needs of local people and our businesses.

To do this we want to forge ever closer links to our local business base so that we can work together to fill skills gaps and plan for future skills needs. Working collaboratively to build a flexible, adaptable and resilient skills system which is able to respond to existing and emerging opportunity areas. We will work with our partners to align our education and skills system with our employer support offer to ensure local people have the skills employers need now and in the future. There are already many learning and training opportunities through providers in the city and wider region, including skills bootcamps to grow digital, green and construction skills for you or your workforce. There are opportunities for support from a skills advisor to understand current and future skills need, helping businesses to develop a workforce plan tailored to business opportunities and growth areas.

The city's business base is predominantly comprised of micro and small businesses with up to 15 employees. This can make upskilling existing employees, recruiting new ones to meet skills gaps and understanding future skills needs challenging. Through our Wolves at Work offer you can access guidance on recruitment in the city as well gain access to pipeline of talent to support your business growth. Through regional programmes such as Thrive at Work guidance to support the health and wellbeing of your workforce and adopt and inclusive working environment to benefit talent recruitment, retention, and progression.

Technology and Innovation

Innovation can be anything which helps a business to become more efficient and effective, in turn raising productivity and supporting growth. For some businesses this might be about upskilling to improve digital skills and capabilities, implementing new business processes or the introduction of new plant and machinery.

Wolverhampton has a long history of pioneering innovation. Thomas Parker, a Wolverhampton based innovator built the first practical electric car, while the Wolverhampton built Sunbeam motor car became the first vehicle to reach 200mph when it broke the land speed record. It is a tradition which has continued today with businesses who have grown and established themselves in the city taking the lead in artificial intelligence, specialist computer software and new emerging green technologies. We are also home to world leading research and development at the University of Wolverhampton, whose National Brownfield Institute brings together industry experts to advance research into brownfield land remediation and the circular economy.

The West Midlands Innovation Alliance has identified challenges in our local and regional innovation system which can make it harder for businesses to get the support they need. This includes public research and development funding historically being directed towards London and the Southeast creating challenges around financing innovation activity for West Midlands businesses, and where innovative developments have emerged, they have been concentrated in manufacturing and engineering fields. To support business, we will continue to work with our regional partners such as the West Midlands Combined Authority to ensure that Wolverhampton and the region gets its fair share of government research and development funding.

We also want to spread innovative activity to other sectors so that all our businesses can benefit from new opportunities of innovation. This could include sector specific support from programmes like Made Smarter which offers SME's support to accelerate digital innovation to identify new supply chains and services. As a Council we're also progressing our ambitious plan to develop a Green Innovation Corridor for Wolverhampton, working in partnership with the University of Wolverhampton we will create new incubation space and bespoke business support to nurture innovative activity in the city.

Net Zero and the Green Economy

Our local economy is changing rapidly, and we face a growing challenge to decarbonise. Wolverhampton made history by becoming the first English city to sign the European Circular Cities Declaration a major environmental charter designed to accelerate the adoption of circular economies across Europe. We want to support the city and our local businesses to have net zero emissions by 2041.

Each business, regardless of its size, contributes to carbon emissions and environmental impact through its operations, energy consumption, supply chains, and waste generation. The actions and decisions of businesses play a vital role in shaping the overall carbon footprint of the city, region and nation. By adopting measures to reduce emissions, implement energy-efficient processes, promote circular economy practices, and embrace renewable energy sources, firms can make a substantial contribution towards mitigating climate change and achieving net zero targets.

Research shows that there are barriers faced by businesses when thinking about investing and adopting net zero practices. The Business Futures Survey 2022 found that cost, lack of information on low carbon technologies and skills to implement new technologies were the main barriers to adoption net zero practices. The same survey found that those who had invested in net zero were seeing benefits, from improved reputation, increased revenue and the development of new services and products.

To support local businesses, we will work with Business Growth West Midlands to deliver a package of net zero initiatives and programmes. This will include specialist advice to identify net zero opportunities, energy audits to map and interrogate energy usage, training to increase your knowledge and expertise and grant funding to help you invest in new low carbon opportunities.

Accessing New Markets

In order to accelerate growth businesses may need to identify new market opportunities for goods and services. Breaking into new markets requires market strategy, knowledge and connections for long-term success. It can often be complex, time consuming and ultimately costly. One of the biggest challenges when accessing internal markets is navigating new customs and regulations which have become more complex post Brexit. Through our Business Growth offer we can connect you with specialist support to understand potential markets, analyse opportunities and identify your competitive advantage.

Whether businesses are looking to expand into new domestic markets or to enter international markets there are a number of programmes and support available to city businesses. This includes the Supply Chain Transition programme delivered in partnership with Business Growth West Midlands which aims to help small and medium-sized enterprises in the West Midlands to diversify their customer base by winning new orders through sales and marketing support, help to understand new regulatory environments and streamlining processes.

Through our Wolverhampton Pound initiative we are also committed to retaining and growing local wealth by directing as much of our public sector spending as possible into the local economy. We will prioritise local spending through our procurement and commissioning approaches to strengthen and support local supply chains, encourage the growth of new sectors, and create new local jobs. Across our local anchor network partners in the public sector there is a combined annual spend of over £800 million. Working with our partners we want to ensure that local businesses are supported to build the skills which will allow them to access public sector supply chains. We're also developing a new social value strategy and toolkit to support local businesses and further strengthen supply chains.

Delivering our Business Growth Offer

Our local businesses are the backbone of our city economy. Their voice, experience and insight are instrumental in shaping our future approach to business support in the city. Insights from our business base alongside rigorous data analysis of both local and national data sets have guided us to identify key issues and potential solutions.

While we have six overarching priorities they are closely interlinked. There are shared challenges across each one from access to finance and capital for investment, regulatory obstacles, growing skills to adopt new digital and low carbon technologies and the importance of accessing new markets to commercialise innovation. With this knowledge, this plan highlights short-term opportunities for businesses to access support whilst focusing on long term sustainability of businesses.

This plan is the start of a conversation, we will ensure a continuous conversation with local businesses through our growth offer, city forums and networks to constantly challenge our priorities so that they respond to local needs. The next steps for our business growth plan is to refine and grow the package of support and initiatives which support each of our priority areas.