

# Stronger City Economy Scrutiny Panel

Minutes - 20 November 2018

## Attendance

### Members of the Stronger City Economy Scrutiny Panel

Cllr Ian Angus  
Cllr Harman Banger  
Cllr Philip Bateman MBE  
Cllr Payal Bedi-Chadha  
Cllr Alan Butt  
Cllr Craig Collingswood  
Cllr Claire Darke  
Cllr Christopher Haynes  
Cllr Mak Singh  
Cllr Jacqueline Sweetman (Chair)

### In Attendance

Cllr John Reynolds (Cabinet Member for City Economy)

### Employees

Martin Stevens (Scrutiny Officer) (Minutes)  
Richard Lawrence (Director of Regeneration)  
Alison Shannon (Chief Accountant)  
Charlotte Johns (Head of Local Economy)  
Isobel Woods (Head of Enterprise)  
Helen McGourlay (Finance Business Partner)

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

*Item No.*     *Title*

- 1        **Apologies**  
Apologies for absence were received from Cllr Jonathan Yardley and Cllr Barbara McGarrity.
- 2        **Declarations of interest**  
Councillor Mak Singh declared a non-pecuniary interest on item 5, Draft Budget and Medium Term Financial Strategy, as a Director of Active Staff Recruitment Ltd.
- 3        **Minutes of previous meeting**  
**Resolved:** That the minutes of the meeting held on 18 September 2018 be approved as a correct record.

**4 Matters arising**

The Chair referred to the City Commission which had been discussed at the previous meeting. She asked if there had been any progress on the City Commission since the last meeting. The Director of Regeneration responded that after the initial setting up of the City Commission, the Council had invited Mr Bill Grimsey to the City. Mr Grimsey had visited the City in late August to give his views. Since his visit there had been the successful launch of the ebay retail revival programme in the City. They had asked the West Midlands Growth Company to manage the Commission process on behalf of the Council. This would feed into two elements, a Conference being setup for City Centres at the end of January 2019 and the announcement of the recent budget for funding available from central government, with expressions of interest being called for by Spring next year. They would be undertaking work into the early part of the New Year, regarding stakeholders and taking the Commission to the next stage.

**5 Draft Budget and Medium Term Financial Strategy 2019-2020**

The Chief Accountant introduced a report on the Draft Budget and Medium Term Financial Strategy 2019-2020. She stated that in March 2018 it had been estimated that the Council would be facing a projected deficit of £19.5 million. Updated reports were received by the Council's Cabinet in July and October 2018. Following budget efficiencies, budget reductions, and income generating proposals, the projected deficit currently stood at £6 million. An update on the deficit would be received in January 2019. Part of the budget consultation process was to consult on budget proposals, classed as budget reduction and income generation proposals. These were changes which would directly impact on the residents of Wolverhampton or service users. There were none which fell within the remit of the Panel and there were seven proposals being directly consulted on, which amounted to £695,000. There was no requirement to consult the public on budget efficiencies as they did not impact directly on service delivery.

The Chief Accountant stated she was particularly interested to see how the Panel thought the budget should be scrutinised in the future. Comments from the Scrutiny Panel would be reported to Scrutiny Board on 11 December 2018 and then onwards to Cabinet in January 2019.

A Member of the Panel commented that the overall risk rating for the Draft Budget and Medium Term Financial Strategy had risen from amber to red. The Chief Accountant responded that the risk had changed because of two reasons. The first being an uncertainty in funding from 2020-2021, as the Government were conducting a comprehensive spending review. As part of this review they were assessing the formula used to identify how much funding a Council required. The second reason was due to the demands in adult and children's social services. There were also some uncertainties around ring-fenced grants such as Public Health.

The Chair asked for feedback from Members of the Panel who had attended a budget consultation event. A Member of the Panel commented that she had attended the event at Bantock Park. She had been struck with the high level of misunderstanding that those in attendance had of the Council's responsibilities. The Chair referred to the importance of monitoring the effectiveness of the budget consultation process.

The Head of Enterprise remarked that the business community had responded positively to the budget consultation event held with them. The businesses had welcomed being part of the process and wanted to gain an understanding of the issues, challenges and help to find solutions. The businesses wanted to carry on with the engagement process and so in January/February 2019 there would be a further event held. A continuous dialogue was ongoing, including with the businesses that had been unable to attend the first event. The Portfolio Holder for City Economy commented that it had been a very positive event and he was encouraged by the businesses collaborative tone. He was looking forward to meeting them again in January/February 2019 where solutions would be discussed, which included the concept of working more on a cross Black Country basis in some areas. The Head of Enterprise commented that the Growth Hub was a useful communication tool in the Black Country.

A Member of the Panel stated that the population was more technically aware than they had ever been, and the Council needed to take advantage of this fact when consulting on the budget.

A Member of the Panel remarked that it was important to think of new pro-active solutions on how to promote the Council's budget consultation events and the online consultation form.

The Chief Accountant commented that the budget consultation was promoted in the Express and Star newspaper, by posters and through the Council's social media channels.

**Resolved:**

- A) That the Scrutiny Panel response be finalised by the Chair and Vice Chair of the Scrutiny Panel and forwarded to Scrutiny Board for consideration.
- B) For a future report to be received on how the Council monitors the effectiveness of budget consultation, how it is promoted and who it chooses to consult with.

**6 Portfolio Holder for City Economy Statement / Question and Answers Session**

The Chair referred to the tabled documents at the meeting, which included a document with answers from the Portfolio Holder for City Economy to all the questions that had been submitted in advance by Members of the Panel and a copy of the key achievement slides from his PowerPoint presentation on his portfolio (copies of which are attached to the signed minutes).

The Portfolio Holder outlined the areas which fell within his responsibility. He highlighted the fact that sustainability fell within his responsibility because he was Chair of the Sustainability Advisory Board. He was particularly pleased with the Crowd Fund Wolves Project and the partnership working with the University and College.

The Portfolio Holder highlighted some of the key achievements over the last few years. In 2015 the Jaguar Land Rover Engine Processing plant had begun production, the University of Wolverhampton opened its new business school, the online bicycle retailer Wiggle opened its warehouse in Bilston and Wolverhampton

was ranked fourth best place to start a business in the UK. In 2016, the i10 the first Grade A office space in Wolverhampton opened, the Westside Development was announced, the Bilston Urban Village construction had begun and unemployment significantly dropped within the City. 2017 saw the launch of the Wolves at Work project, the Council being awarded the Local Authority of the Year Award at the MJ Awards and the new Debenhams being opened at the Mander Centre. In 2018, the new City Centre Market had opened, the old Railway station demolition process had commenced and ebay had held the first retail revival training session in Wolverhampton, the first in the UK.

The Portfolio Holder commented that the latest statistics showed 2 million people visited Wolverhampton each year and nearly 2 million people lived within a 30 minute drive of the City Centre. He was pleased to report that Wolverhampton was within the top ten growth areas in the UK. The City was also doing well in job creation and business start-ups. In addition, Wolverhampton was a leading retail hotspot for investors outside London.

The Portfolio Holder commented on the very successful Parade the Council had arranged to mark Wolverhampton FC promotion to the Premier League. He also made reference to the development of the i9 building and the successful Wire Awards. He gave some details on the Council's, City Strategic Economic Plan, 2019-2024. The Council had received £6 million in funding for broadband development.

A Member of the Panel referred to a recent article in the national media, where following a national survey, Wolverhampton had been ranked as the second worst City in the United Kingdom. He asked for the Portfolio Holder's opinion of the survey and how the Council had responded. The Portfolio Holder responded that the number of parks and open spaces included in the survey for Wolverhampton had been wrong. The statistics the survey relied on were not accurate.

A Member of the Panel referred to the question that had been raised about the Civic Hall project. He had recently attended a site visit with the Audit Committee. Many Members had left the site visit with concerns about the project in terms of the timetable and cost. He asked the Portfolio Holder if it would be possible to have a set completion date for the project. The Portfolio Holder responded that there was a specialist group entitled, the "Capital Projects Members Reference Group" monitoring the Civic Hall Project. The Lead Contractor had gone through the costs and the timescale with the group recently. He was happy to share the details with him.

A Member of the Panel asked the Portfolio Holder, if there could be more innovation within Wolverhampton, for issues such as the housing shortage. The Portfolio Holder responded that there was now the City Commission and the Council were trying everything they could in terms of innovation. The Council had to be careful regarding what buildings they converted to residential within the City Centre as it was important to ensure quality and for them to be attractive to people.

A Member of the Panel raised the subject of footfall figures for the City Centre. He wanted a system in place in the City Centre which could record footfall figures accurately and give the actual numbers rather than estimates based on survey information. He was of the view that accurate footfall figures could be used to the Council's advantage to further economic development within the City. The Portfolio Holder responded that the Business Improvement District (BID) had experienced

some issues with trying to record footfall accurately in the City Centre. The Smart technology that was arriving in the next 1-2 years would enable accurate footfall figures, which meant the Council would no longer be reliant upon the BID for footfall data for the City Centre.

The Chair raised the concept of marketing for Wolverhampton. She believed there needed to be an overall strategy. She was aware that there had been some work completed on a logo for Wolverhampton. The Portfolio Holder responded that the work on the branding had involved consultation with the leading local businesses, the University, the College and the NHS. The Consultants employed by the Council to undertake the project had worked with the Economic Growth Board. The video that coincided with the branding was completed in consultation with local community groups, residents and businesses. They were currently in discussions with local businesses as to how they would use the video and branding as part of their marketing tools. He suggested that the branding for Wolverhampton and strategy would be an appropriate item for the Scrutiny Panel to consider in the future. A Member of the Panel commented that how the City of Wolverhampton was marketed on a global scale was discussed at the Scrutiny Panel during a meeting in 2013.

A Member of the Panel asked when the results would be made available from the West Side Link Development Consultation. The Director of Regeneration responded that they were still continuing the consultation on the part relating to the pedestrianisation of Lichfield Street. The Chair stated they had received a presentation at the Labour Group recently, and she expressed concern that there was no detail given on a business case for the project, including the costs and how these would be recovered following completion.

A Member of the Panel asked how the City could compete with cities like Birmingham to attract investment. The Portfolio Holder responded that recently the Building Strategy had been launched which incorporated the work taking place on the Canal Side Quarter, the Railway Station and surrounding area. Part of the development by the Railway station was the state-of-the art i9 office development. The ongoing building work and the rising rental fees in Birmingham would mean Wolverhampton would be an attractive offer.

A Member of the Panel asked about the latest position regarding the old eye infirmary on Compton Road which was owned by the NHS. The Director of Regeneration responded that an enforcement notice had been served upon the NHS. There had also been two offers from the Council to acquire the site, which had been rejected by the NHS, as it was not within their valuation. He understood that the NHS had recently accepted an offer from a third party to acquire the site. They had not had this information confirmed and he did not know if there were conditions attached to the offer. The Managing Director of the Council had written to the Chief Executive of the RWHT asking for clarification of the position and requesting that the Trust make the buyers aware of the enforcement order on the site.

## 7 **Scrutiny Work Programme**

The Chair raised the concept of an overall marketing strategy for Wolverhampton. She also talked about income growth as a potential future work programme item. This included the idea of the Council selling services in order to raise money for Council activities.

The Chair stated she wanted to explore in the future, the Council's long-term future corporate objectives. She also suggested a potential site visit to the Civic Hall to evaluate progress on the project.

A Member of the Panel asked about potentially including an item on the Work Programme in the future exploring the benefits of volunteering in the City and whether there was further scope for encouraging and developing volunteering activity and obtaining a fuller understanding of the voluntary sector within the City. The Head of Local Economy responded that the Deputy Managing Director was the Strategic Executive Board's - Third Sector Champion for the Council. The Head of Skills had been leading a group of Officers working with the volunteer leads in other key partner organisations within the City, to see how they could aggregate and capture information effectively. She was happy to share more information with the Panel in the future and could contact the relevant Officers for further information.

**Resolved:** That the Scrutiny Work Programme be noted.

Meeting closed at 7:30pm.