

BIRMINGHAM CITY COUNCIL

ECONOMY, SKILLS AND CULTURE O&S COMMITTEE

Minutes of the meeting held on 12th June 2024 at 1000 hours in Committee Room 6, Council House, Victoria Square, Birmingham

Present:

Councillors Katherine Iroh (Chair)

Councillors Jon Hunt, Meirion Jenkins, Shafique Shah and Lisa Trickett

Also Present:

James Betjemaan, Head of Curzon and Enterprise Zone Development

Kathryn James, Assistant Director, Investment and Valuation

Jane Smith, Enterprise Zone Programme Manager

Yasmin Sulaman, Programme Champion

Amelia Wiltshire, Overview and Scrutiny Manager

Baseema Begum, Scrutiny Officer

NOTICE OF RECORDING/WEBCAST

1. The Chair, Councillor Iroh, advised those present that the meeting would be webcast for live and subsequent broadcast and that Members of the press/public may record and take photographs except where there are confidential or exempt items.

APOLOGIES

2. Apologies were received from Cllr Morrall.

DECLARATIONS OF INTEREST

3. There were no declarations of interest submitted.

MEMBERSHIP OF ECONOMY, SKILLS & CULTURE OVERVIEW AND SCRUTINY COMMITTEE

4. The Committee's membership for the 2024-25 municipal year was noted.

ELECTION OF DEPUTY CHAIR

5. Cllr Trickett was proposed and agreed as Deputy Chair for the 2024-25 municipal year.

ECONOMY, SKILLS & CULTURE OVERVIEW AND SCRUTINY COMMITTEE TERMS OF REFERENCE AND WORK PROGRAMME 2024/25

6. The Chair gave an overview of the Committee's remit and the items listed on the work programme and asked Members for their thoughts on other items that could be added. Cllr Iroh explained that the focus of the Committee's work this year was to continue to support the Council's Improvement and Recovery plan.

A discussion was held with Members and the following points were made: -

- A separate private briefing will follow July's Committee meeting on budget savings relevant to the Committee's remit. The Committee previously looked at these savings in April with officers and Cabinet Members in attendance. Members may wish to consider a smaller number of the proposed savings and the impact of these on residents and communities.
- Two saving targets have been incorporated into the Committee's remit following the changes to the Council's Constitution. These relate to BMusic and Birmingham Museum Trust and heritage and cultural assets and will be added to the list of savings for consideration in July.
- In relation to saving 106 'Service re-design and restructure' within the Place, Prosperity and Sustainability directorate, concerns were raised about the levels of savings being proposed and the impact of this on the ability to deliver on the economy and skills pathway. In particular ensuring that there was adequate staffing capacity and capability within the Council without having to resource external expertise at additional cost.
- Consideration should be given to the city's economic and industrial strategies and proposals to secure growth for the city and all of its communities. A particular emphasis was put on ensuring that strategies are co-ordinated to deliver growth for all areas of the city and ensure that the Council's commitment to achieving net zero carbon for example was being embedded as part of this.

MINUTES

7. In response to seeking clarification from the Monitoring Officer on the potential conflict of the disposal of assets strategy with the Council's Planning Framework it was confirmed by the Overview and Scrutiny Manager that the Monitoring Officer was confirmed to attend the July meeting to explain this in detail. Further points as listed on the Action Tracker in relation to attendance by the Commissioner and the role of Planning were being followed up.

RESOLVED: -

- i) That the Minutes of the meeting held on 12th June 2024 be approved as a correct record and signed by the Chair.

ACTION TRACKER

8. RESOLVED: -

- i) That the action tracker be noted.

SCRUTINY OF THE INTEGRATION OF GREATER BIRMINGHAM AND SOLIHULL LOCAL ENTERPRISE PARTNERSHIP (GBSLEP) FUNCTIONS INTO BCC

9. The Chair welcomed James Betjemaan, Head of Curzon and Enterprise Zone Development; Jane Smith, Enterprise Zone Programme Manager and Yasmin Sulaman, Programme Champion who were in attendance for this item.

The Head of Curzon and Enterprise Zone Development highlighted some key points from the report explaining that Local Enterprise Partnerships (LEPs) were introduced in 2011. As part of a review undertaken in 2022 and in line with the wider Levelling Up agenda LEPs were amalgamated into local authorities or combined authorities. A list of LEP functions that were transferred into the Council was listed in the report, and this included the TUPE of staff, transfer of functions and data. In November 2023, the Growth Hub Delivery team that provide support to businesses in the city were transferred over to the Council. This team works with the West Midlands Combined Authority in an arrangement to deliver business support for Birmingham and Solihull.

Members then held a discussion, and the following were among the points raised: -

- The Enterprise Zone and Legacy Programmes Partnership Board subsumed the role of the Programme Delivery Board and includes 3 private sector members (one of who is Chair). Representatives of the Council are the Deputy Leader and the Strategic Director for Place, Prosperity and Sustainability directorate. Solihull Council are also included as a representative of the wider legacy LEP geography.
- The role of the Enterprise Zone and Legacy Programmes Partnership Board is to oversee the Enterprise Zone and the legacy funded programmes such as the Local Growth Fund. The remit of the board and its Terms of Reference were approved by Cabinet earlier this year.
- Whilst all of the funding has been spent there was still the need to continue monitoring and analysing the performance data. Equally, funding agreements also require close monitoring, and the Council has a system in place to do this with reports produced on the performance of all projects.

- There was also some recycled funding for some of the projects within some programmes and it will be the decision of the new board on where and how this will be used.
- In terms of the surplus generated from the Enterprise Zone further information on the plan can be provided. It was clarified that the baseline set in 2011 was set on what the business rate income was and that any surplus on those 39 sites was kept by the Enterprise Zone and reinvested in economic development.
- Members were assured that all projects put forward to the Board were put through a rigorous risk management framework. This robust process known as the 'Green Book' methodology safeguards the development of sound business cases. It covers project delivery, costs, the economic and strategic cases and cost-benefit ratio as well as value-for-money. Additionally, a risk strategy for each project is independently appraised and challenged prior to a case being presented for investment to the Board. For approved contracts, all conditions are quarterly monitored.
- Members were concerned that enterprise zones ringfencing surpluses especially such as the one in the city centre created an anomaly where it was seen to reap more benefits from public funds than other areas and could be seen as perpetuating inequality. It was added that there was a lack of trickle-down effect where other parts of the city did not benefit from this investment or see growth. It was felt that this was counter-productive and was reflected by the high unemployment figures in the city in comparison with the region and country.
- A sum of £1.9m from the transfer of the LEP functions into the Council is yet to be concluded however it was going through the necessary legal processes for clearance. The Board will be responsible in overseeing how this sum is used effectively.
- It was confirmed that Commissioners are looking at the issue of business rate retention as part of the Council's Improvement and Recovery Plan and was noted as part of the budget review.
- The West Midlands Combined Authority (WMCA) is leading on a Place-Based Strategy (PBS), and this covers how the region will take forward economic development. All relevant local authorities are responsible for producing their own PBS. It is anticipated that these will be consolidated into the regional PBS by the WMCA and that this will inform the single funding settlement subject to the Election.
- Members highlighted that a PBS needed to understand the local economic and housing needs of Birmingham and how the impact of a regional PBS would affect any settlement for the city based on its needs. Additionally, there was some concern about Member input and ensuring that representation from the city was actively involved in the regional PBS.

RESOLVED: -

- i) That the report be noted.

- ii) That the Head of European and International Affairs is requested to provide the Committee with information relating to funding post UKSPF in March 2025 for the Growth Hub.
- iii) A map of the areas covered by the enterprise zones will be provided for the September meeting.

SCHEDULE OF MEETING DATES FOR COMMITTEE MEETINGS AND SCRUTINY WORK

- 10. Future meeting dates were noted. Diary invitations for these meetings have been sent to Members.

DATE OF NEXT MEETING

- 11. The next meeting will be held on 10 July.

REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)

- 12. There were no requests for Call In received.

OTHER URGENT BUSINESS

- 13. There were no items of urgent business to consider.

The meeting ended at 10:45 hours.

Chair's signature: