

## **BIRMINGHAM CITY COUNCIL**

# **ECONOMY AND SKILLS O&S COMMITTEE**

**1430 hours on 4<sup>th</sup> June 2020, Online Meeting – Actions**

---

**Present:**

Councillor Lou Robson (Chair)

Councillors Maureen Cornish, Chaman Lal, Simon Morrall, Julien Pritchard and Lucy Seymour-Smith.

**Also Present:**

Cllr Ian Ward, Leader

Cllr Jayne Francis, Cabinet Member for Education, Skills & Culture

Rebecca Hellard, Chief Finance Officer

Maria Dunn, Head of Development Policy

Mohammed Zahir, Head of Business Enterprise and Innovation

Mark Gamble, East Birmingham Development Manager

Mahendra Chuhan, City Centre Operations Manager

Bob Grubb, UCATT

Rose Kiely, Group Overview & Scrutiny Manager

Baseema Begum, Scrutiny Officer

---

**1. NOTICE OF RECORDING/WEBCAST**

The Chair advised those present that the meeting would be webcast for live and subsequent broadcast via the Council's Internet site and that Members of the press/public may record and take photographs except where there are confidential or exempt items.

**2. APOLOGIES**

Cllr Nicky Brennan.

An apology was also submitted on behalf of Ian MacLeod. Apologies were also received from GMB union representatives.

### **3. DECLARATIONS OF INTERESTS**

Cllr Seymour Smith declared that she is employed by Unison. Cllr Lal declared that his wife was in receipt of a business support grant from the Council and Cllr Morrall declared that he is the owner of a media company.

### **4. ACTION NOTES**

The action notes of the meetings held on the 26<sup>th</sup> February were agreed. The Chair referenced the Property Strategy that was discussed at this meeting and the need for all councillors to be provided with a list of all council-owned assets in their wards.

### **5. LEADER'S UPDATE**

(See document No.1)

The Leader talked members through the key points of the city's response to the Covid-19 pandemic included in the agenda pack and made the following particular points: -

- £172.3m in business grants has been distributed to 14,202 businesses across the city which is 77.6% of the projected amount of money to have to be distributed. It should be noted that the projected figure was based on the data in the council's database which may include businesses no longer trading and duplicate information.
- The council is projecting in excess of a £200m funding shortfall in the next 2 years and is talking to the government about it.
- Birmingham has secured just over £1m for the safe reopening of high streets to fund measures to aide social distancing. The council is in talks with Business Improvement Districts (BIDs) and retailers on how to spend this allocation ahead of the 15<sup>th</sup> June gradual re-opening of shops. The BIDs also have separate access to a fund of £6m and have developed a marketing and PR strategy for the reopening of retail. The council is supporting this message.
- From 1<sup>st</sup> June the council opened a discretionary small grants scheme for those businesses that did not qualify for the government scheme to apply for support. Businesses have 2 weeks to put in an application for funding.

During discussion with members the following points were responded to: -

- 99.5% of businesses in the city are Small and Medium Enterprises (SME's) and 60% of these did not qualify for the government scheme. It is envisaged that the council's £11m discretionary fund will be heavily overly oversubscribed.
- In response to the future contribution and sustainability of SME's in the East Birmingham area in light of the pandemic it was confirmed that consultation continues with all businesses including SME's in the area. Thus far the Birmingham and the Asian Chambers of Commerce, local trader's associations and forums that represent businesses in the area have been consulted. Consultation is continuing through video conferencing and phone calls due to

Covid-19 and it is hoped that face to face contact will be made when it is safe to do so. The council's business support unit has useful data on local businesses that is being used as is the information gathered as part of a recent business needs survey. Further consultation will be done taking into account local need and specific requirements in due course.

- The council is talking to businesses about what help it can provide to help them to reopen as lockdown eases and minimise the number of redundancies and job losses. As part of this, individual businesses who are renting council-owned premises can contact the council to see what help is available and this will be assessed on a case by case basis.
- As a result of Covid-19 the council has projected an income loss of £70.6m in the 2020/21 financial year. The impact of this is an expected loss of £145m in 2021/22 due to a loss of income relating to council tax and business rates. The council has received £70m from the government so far. Total expenditure forecasted on a 6-monthly basis until September is £114.6m in 2021 and £127.5m in 2021/22. These figures are based on very well set out assumptions as the full impact is not yet known but the risk has been quantified as detailed in appendix 2 of the report circulated based on what is expected to happen.
- Discussions on the impact on the budget have not yet taken place as the council does not yet know its final position. As further government funding and advice comes on board there will be the opportunity to set out future plans. The usual mid-year refresh of the medium-term financial plan will take place at the end of September and the impact of Covid-19 will take place as part of this. There will be some changes to the reporting element and managing of finances and these are due to be discussed with party leaders.
- A budget refresh will be presented to cabinet for approval unless there are substantial changes resulting in a re-set of the budget in the current financial year that would require Full Council approval. This does not apply to future years budget settings.
- The council is developing a medium to long term recovery plan focussing on building a greener, cleaner and fairer city as a result of Covid-19. This includes supporting businesses such as manufacturing that are a big part of the regional and local economy.
- The council is in dialogue with the government and the private sector to mitigate the impact of the pandemic on young people's learning by securing I.T. equipment for those from deprived communities and vulnerable children to help them access online learning so that they do not fall further behind. A joint letter has been issued by party leaders to the private sector requesting donation of equipment and a positive response has been received. The council has also donated 250 devices.
- The East Birmingham Inclusive Growth Strategy (EBIGS) consultation will remain open until all engagement as set out in the engagement plan has been concluded. The council's climate change emergency declaration measures have been factored into the consultation and feedback will be taken on board and changes included as necessary. A report is due to be presented to the EBIGS

board on how aspirations and opportunities relating to a low carbon economy can be realised including those that relate to boosting skills and business growth.

- The extension of the metro into the East Birmingham area will provide transport links for HS2 through to the airport and bring job opportunities for residents in deprived areas along this route.

**RESOLVED: -**

1. Mark Gamble to provide Cllr Pritchard with the figures for the funding of the Metro and the funding gap for the East Birmingham extension.

## **6. BUSINESS RECOVERY**

(See document No. 2)

Members held a discussion on how businesses and employees will be affected by the pandemic during which the following points were made: -

- Covid-19 has changed the way people are working with many people working from home using I.T. The impact that digital technology has brought to the workplace is huge as lockdown has demonstrated how many people can continue to do their job outside of an office environment. Members noted that working from home meant that there was less interaction with people and although this affects people's mental health differently, support should be made available to employees.
- More people working from home during lockdown has benefitted the environment with fewer commuters and vehicles on the road leading to reduced levels of air pollution. This has benefitted people's physical health and well-being.
- Members noted that getting all sectors of society skilled up with using technology and accessing digital learning is beneficial and should remain a priority as it promotes greater inclusion and the ability for a diverse workforce such as those with caring responsibilities and older workers to more easily access jobs and opportunities. It was highlighted that the culture in the workplace is changing and clarity was needed as to which jobs can be done at home as people are affected differently.
- The council's role in meeting the needs of all residents and especially those in deprived wards who do not have access to I.T. or the ability to use it to access services. Many residents contact the council and councillors via phone. There is a need to identify how to support those without access and it was noted that some good work was happening in the third sector with digital inclusion in respect of this.

**RESOLVED: -**

1. Cllr Pritchard requested further information on how the council's discretionary fund to support small businesses will be spent.

2. Cllr Cornish asked for further information relating to the targeting of apprenticeship funding to ensure that it is being targeted in the most appropriate way.
3. Professor Anne Green, University of Birmingham to be invited to the next meeting to discuss supporting the economic recovery.

## **7. WORK PROGRAMME**

(See document No. 3)

The Chair confirmed that the next meeting will be in July in the afternoon and a date will be confirmed.

The Chair noted the fluid nature of the work programme and will continue to keep business recovery as a priority. The next meeting will include an update from the Chamber of Commerce on their survey of businesses. An update on the Birmingham Smithfield Masterplan was also requested.

Members also requested a future update on Community Asset Transfers. The key role of a media and communications strategy as businesses recover from the pandemic was also noted.

### **RESOLVED: -**

1. Members noted future items for discussion.

## **8. REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS (IF ANY)**

None.

## **9. OTHER URGENT BUSINESS**

None.

## **10. AUTHORITY TO CHAIRMAN AND OFFICERS**

Agreed.

### **RESOLVED: -**

That in an urgent situation between meetings the Chair, jointly with the relevant Chief Officer, has authority to act on behalf of the Committee.

---

The meeting ended at 16:29 hours.